

Outcome of the meetings of EU leaders, 24-25 June 2021

The regular European Council meeting of 24-25 June 2021 was noteworthy on several fronts. First, there was an extensive discussion on the rule of law and European values, a topic rarely discussed at the level of EU leaders. It took place in the context of a new Hungarian law on child protection, which includes provisions considered by many as discriminatory against LGBTQI+ people. Second, following a Franco-German proposal, there was an intense debate about the EU approach to relations with Russia, with apparent disagreement on whether it is currently worthwhile engaging in high-level dialogue with the country. Among the other topics considered were coordination efforts in response to the coronavirus pandemic and economic recovery after the crisis. On migration, EU leaders quickly reviewed the situation on migration routes, mainly reiterating previous commitments. In the field of external policy, alongside Russia, EU leaders also discussed EU-Turkey relations, the situations in Belarus, Libya, Ethiopia and the Sahel, and cybersecurity. EU leaders were also presented with the 2021-22 Leaders' Agenda. In the framework of the Euro Summit, EU leaders addressed the future of the euro area, inviting the Eurogroup to continue its work towards the completion of Banking Union and to move quickly to implement the capital markets action plan.

1. General aspects and new commitments

This European Council meeting started with an exchange with the Secretary-General of the [United Nations](#), António Guterres, on global challenges and geopolitical issues over lunch. This was followed by an address to EU leaders by the President of the European Parliament, David Sassoli. As rotating president-in-office of the Council, the Portuguese prime minister, António Costa, reported on the Portuguese Presidency and in particular on the follow-up to European Council conclusions.

As the June 2021 meeting was the last under the current 2020-21 Leaders' Agenda, the President of the European Council, Charles Michel, [presented](#) EU leaders with a new [indicative Leaders' Agenda 2021-22](#) outlining the main meetings planned and policy topics that EU Heads of State or Government are due to address over the coming nine months. Designed to provide an important framework for structuring European Council activities, this the third edition of the Leaders' Agenda, the tentative nature of which is foreshadowed in the title, appears to be less detailed and comprehensive than the [first](#) and [second](#) editions.

Table 1 – New European Council commitments and requests with a specific time schedule

Policy area	Action	Actor	Schedule
Migration	Report to the Council on the planned use of at least 10 % of the NDICI financial envelope and funding under other relevant instruments for actions related to migration	Commission	By November
Migration	Put forward action plans for priority countries of origin and transit	Commission, the High Representative	Autumn 2021

2. European Council meeting

EU coordination efforts in response to the coronavirus pandemic

Acknowledging the generally improved [epidemiological situation](#) across the Union, EU leaders commended the progress with the vaccination campaign, but also expressed concerns regarding the spread of variants. The President of the European Commission, Ursula von der Leyen, stated that the vaccine delivery target would be exceeded for the [second quarter](#) and at least 60 % of adults would have had one vaccine dose by the end of the week. Prior to the meeting, some EU leaders had voiced [disapproval](#) at the relaxation of restrictions for travellers coming from [third countries](#) in certain Member States, in particular travellers from the UK, where the more [virulent](#) Delta variant was the dominant strain. They argued that the move was not in line with the official, albeit non-binding, [EU guidance](#), and thus insisted on including in the conclusions a sentence stressing the need to be careful and 'coordinated' in relation to the variants. EU leaders also underlined the importance of the EU digital Covid certificate and the two Council recommendations, on travel within the EU and into the EU, for facilitating safe cross-border travel.

Furthermore, EU leaders [welcomed](#) the Commission [report](#) on early lessons learned from the pandemic and invited the incoming Slovenian Presidency to work in the Council at improving EU preparedness and response capacity. They also reiterated the EU's commitment to international solidarity in the face of the pandemic, specifically the need to boost global vaccine production and access, through COVAX, the global initiative to ensure fair access to safe and effective vaccines. EU leaders welcomed the organisation of a special session of the World Health Assembly to discuss a global convention on pandemic preparedness, the EU strongly supporting work aimed at an international treaty on pandemics.

Main message of the President of the European Parliament: David Sassoli [stressed](#) that coordination of the EU's response to cross-border health threats should be on the agenda of the Conference on the Future of Europe, as 'crises can act as a catalyst for reforms that were once inconceivable'.

Economic recovery

Following the Commission's first ever [bond issuance](#) to feed the [Recovery and Resilience Facility](#), the European Council pushed for swift adoption by Council and implementation of the [national recovery and resilience plans](#). Currently, [24 national plans](#) have been submitted to the Commission, 12 of which have been approved; in the latter, the targets in terms of green and digital spending have been met, and often overshoot. The aim is now ensure rapid disbursement of the funding in order to support economic recovery. The European Council also endorsed the [Council recommendation on the economic policy of the euro area](#) for 2021. Finally, EU leaders expressed their hope for swift progress in the G20/OECD-led process aimed at reaching global and consensus-based reform of the global corporate tax system, a reform to which the G20 finance ministers' [reaffirmed](#) their commitment in spring 2021.

Migration

As flagged up in the EPRS [Outlook](#), discussions on migration were brief and limited to external borders and cooperation with countries of origin and transit; reform of the [common European asylum system](#) was not addressed. EU leaders [agreed](#) to intensify 'mutually beneficial partnerships and cooperation with countries of origin and transit'. This is no new commitment and replicates the idea of 'migration compacts', which were called for by the European Council and already established with priority countries back in [2016](#). Likewise, the conclusions aim at close cooperation with the UNHCR and IOM and the need to tackle root causes, eradicate smuggling and trafficking, reinforce border control, address legal migration, and ensure return and readmission reiterate established concepts under the 'comprehensive approach to migration policy' [developed](#) by the European Council during the migration crisis. By contrast, the European Council statement condemning and rejecting any attempt by third countries to 'instrumentalise migrants for political purposes' is new. Within the context of the EU's overall migration policy, EU leaders also called on the Commission to

put forward formal proposals for continued financing for Syrian refugees in Turkey, Jordan, Lebanon and other parts of the region.

Main message of the President of the EP: David Sassoli [stressed](#) that the external dimension alone was not enough without a common immigration and asylum policy at home. He [criticised](#) as morally unacceptable the fact that 'migration and asylum issues are constantly linked to the electoral fortunes of individual Member States. He reminded the leaders of the European Parliament's call for a new pact of solidarity on migration and insisted on the need for the European Council to take effective action.

Turkey

As flagged up by the [EPRS Outlook](#), the European Council did not, for now, give a green light to launching the EU-Turkey positive agenda, as more has to be done to meet established [conditions](#). President von der Leyen confirmed the ongoing technical work in Council on modernisation of the customs union, but [stressed](#) that the road ahead was still long.

Russia

The European Council discussion on Russia, which according to [earlier indications](#) had been expected to be reflective and considered, heated up following the presentation, the day before the summit, of a [Franco-German proposal](#). The most divisive point was the proposed high-level dialogue with Russia, which many leaders, including the President of Lithuania, [Gitanas Nausėda](#), the Prime Minister of the Netherlands, [Mark Rutte](#), and the Prime Minister of Poland, [Mateusz Morawiecki](#), considered to be premature given Russia's '[aggressive politics](#)'. The Prime Minister of Latvia, Krišjānis Karinš, [stressed](#) that 'dialogue has to come also at a certain cost to Russia', calling for conditionality.

At stake in this debate were the European Council's [unity](#) – forged back in 2014 after the annexation of Crimea, when EU-Russia summits were suspended – but also the EU's credibility vis-à-vis Eastern Partnership countries, at a time when eastern Ukraine is still in conflict and the Minsk Agreements have not yet been implemented in full. The [conclusions](#) reassured the eastern partners of the EU's intention 'to further deepen and intensify political, economic and people-to-people ties'; there was no reference however to the western Balkans, mentioned in the Franco-German proposal.

EU leaders also reiterated past conclusions, notably (i) condemning the downing of flight MH17 and the lack of transparency in the inquiry, and (ii) the EU's attachment to the [five guiding principles](#) governing the EU's Russia policy. President Michel [specified](#) that the focus of the debate was on ways to implement the guiding principles, while President von der Leyen [indicated](#) that the EU and Russia were 'in a negative spiral' and 'need(ed) to brace for further downturn'. She confirmed that the 'push back, contain and engage' approach outlined in the recent [joint communication](#) would be operationalised. EU leaders invited the High Representative, Josep Borrell, and the Commission to boost people-to-people contacts and support Russian civil society, while identifying 'options for additional restrictive measures, including economic sanctions' and cyber-sanctions. The EU's resilience to cyber-attacks and other malicious activities originating in Russia was at the core of the cybersecurity debate, with EU leaders condemning recent attacks on [Ireland](#) and [Poland](#).

Other external relations topics

On Belarus, EU leaders welcomed the recent [restrictive measures](#) imposed on the country, calling for the release of 'all political prisoners' and reaffirming the Belarussian people's right to 'new, free and fair elections'. The President of Lithuania, Gitanas Nausėda, [expressed](#) concern at the situation on the EU-Belarus border, as Belarus policy consisted simply of sending migrants over the border.

On Libya, EU leaders reaffirmed their commitment to Libya's stabilisation process under the auspices of the UN, stressed that elections should take place on 24 December 2021 as agreed in the [roadmap](#) 'For the Preparatory Phase of a Comprehensive Solution', and called for progress on a locally owned inclusive political dialogue and for the withdrawal of 'foreign forces and mercenaries'.

On Ethiopia, EU leaders [considered](#) the situation in Ethiopia's Tigray region, called for the cessation of hostilities and the withdrawal of the Eritrean forces, condemned human rights violations, and reiterated the commitment of the EU and its Member States to supporting democratic reform.

Concerning the situation in the Sahel, EU leaders [reaffirmed](#) their support for the Transition Charter in Mali and reaffirmed the EU's commitment to capacity-building in the G5 Sahel.

Rule of law and European values

Not originally on the agenda, EU leaders held an impromptu debate on the rule of law and European values, which in the views of [President Michel](#) and [President von der Leyen](#), was an 'emotional, personal as well as necessary discussion'. Prior to the meeting the topic became very prominent in public debates after the adoption of amendments to Hungarian child protection legislation including measures banning the portrayal of homosexuality to minors, considered by many as discriminatory against LGBTQI+ people. In joint reactions ahead of the European Council, [17 EU leaders](#) and Member States [condemned](#) developments in Hungary and called on the European Commission to 'use all the tools at its disposal to ensure full respect for EU law, including by referring the matter to the ECJ'. The Commission President [referred](#) to the Hungarian bill as a 'shame', as it 'clearly discriminates against people based on their sexual orientation' and promised to use all the legal powers of the Commission to 'ensure that the rights of all EU citizens are guaranteed'. Charles Michel [stressed](#) 'the primacy of EU law and the primacy of European values', expressing the hope that the [Conference on the Future of Europe](#) would provide the opportunity to take forward European beliefs and fundamental rights. However, the debate and views expressed at the European Council meeting are not reflected in the [text of the conclusions](#) adopted, as the inclusion of any paragraph requires consensus between EU leaders.

Main message of the President of the EP: David Sassoli expressed concern about the recent law in Hungary. 'No tradition or so-called cultural specificity can justify a failure to respect human dignity'.

3. Euro Summit

Joined by the Presidents of the European Central Bank and the Eurogroup, Christine Lagarde and Paschal Donohoe, the Euro Summit met on 25 June in inclusive format with all EU-27 leaders, to discuss the future of the euro area after the coronavirus crisis. Outlining the progress of work in the Eurogroup on the completion of Banking Union, Paschal Donohoe [informed](#) EU leaders on his decision to delay talks on the [European deposit insurance scheme](#), a key but sensitive component of Banking Union, due to [remaining divergences](#) of views between the Member States. In that context, the Euro Summit reiterated its commitment to the completion of [Banking Union](#) and invited the Eurogroup to pursue its work on all outstanding elements. EU leaders also called for the rapid implementation of the [capital markets union \(CMU\) action plan](#), thereby underlining that green finance, notably the adoption of a [green bond standard](#), could constitute a catalyst towards a fully fledged CMU. The next Euro Summit will take place in December 2021 to review progress.

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