Pre-European Council Briefing



Outlook for the European Council meeting of 14-15 December 2023

The last regular European Council meeting in 2023, on 14 and 15 December, promises to be a very challenging one. All the salient topics of 2023 - notably the war in Ukraine, enlargement, revision of the EU's multiannual financial framework (MFF) and the conflict in the Middle East - are on the agenda; and on many of these, EU leaders are divided. Whereas the conclusions on the war in Ukraine and the conflict in the Middle East will reiterate previous positions, the European Council will focus on seeking an agreement in principle on enlargement, in particular on the possible opening of EU accession negotiations with Ukraine and Moldova, and on granting candidate status to Georgia. It will also endeavour to find an agreement on the MFF revision. In both cases, it remains unclear whether an agreement can be found at this meeting or if it will have to be postponed until next year. The European Council meeting will be preceded by an EU-Western Balkans Summit.

1. General

Following the customary opening address by the President of the Parliament, Roberta Metsola, the Prime Minister of Spain, Pedro Sanchez, as leader of the country currently holding the 6-month presidency of the Council of the EU, is expected to provide an overview of progress made in implementing previous European Council conclusions. As a result of recent national elections, the 14-15 December European Council meeting will for the first time include the new Prime Minister of Luxembourg, Luc Frieden, and could see the return of Donald Tusk, as Polish Prime Minister.

Although not on the agenda, Bulgaria and Romania are likely to raise their accession to the Schengen area. A year ago, after the <u>December 2022 meeting</u>, European Council President Charles Michel had reported on the political debate between EU leaders on Romanian and Bulgarian accession to the Schengen area, expressing hope that a decision could be taken during 2023.

Hungarian Prime Minister Viktor Orban has meanwhile <u>called for</u> a <u>strategic discussion</u> on Ukraine. EU leaders may agree to hold such a discussion if, in exchange, Orban refrains from blocking agreements on crucial topics, notably enlargement and the MFF revision.

2. European Council meeting

Ukraine

Signalling that Ukraine is still the EU's top priority, Ukraine is the first point on the European Council agenda and likely to be the point with the longest conclusions. Moreover, EU leaders are expected to strongly emphasise their commitment to Ukraine and its people, as they address the latest developments in Russia's war of aggression.

In June, the European Council had made the unprecedented move of agreeing that the EU and the Member States should 'stand ready to contribute to future security commitments to Ukraine, which will help Ukraine defend itself in the long term, deter acts of aggression and resist destabilisation efforts'. In October, the European Council called specifically on the High Representative, Josep Borrell, to consult with Ukraine on the EU's future security commitments.





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Following this, EU foreign affairs ministers <u>discussed</u> the EU's military support and future security commitments, with the Ukrainian Foreign Minister attending by video-conference; Borrell will report on those discussions.

Speaking at the European Defence Agency annual conference on 30 November, Michel pointed to the unprecedented scope of the EU's military assistance to Ukraine, delivered both through EU means and bilaterally by the EU Member States. He nevertheless underlined the need to provide 'more missiles, more ammunition, more air defence systems. And faster'. The High Representative also confirmed that additional military support through the European Peace Facility was the first priority. However, military support to Ukraine does not always keep pace with expectations; as German Defence Minister Boris Pistorius recently warned, the EU may miss its target of supplying Ukraine with 1 million artillery shells and missiles by March 2024. The EU leaders may therefore reiterate the importance of supplying military support to Ukraine and doing so in a timely manner.

EU leaders may also reaffirm their support for the <u>Ukraine peace formula</u>. At the most recent round of talks, <u>66 countries</u> and international organisations participated. The proposal to hold a global peace summit at the level of heads of state or government, <u>possibly in February 2024</u> – around 2 years after Russia launched its full-scale war of aggression – is under consideration. The European Council has <u>previously signalled</u> its support for a global peace summit of this kind.

At the request of the European Council, the High Representative and the Commission have been working on a proposal to use profits from frozen Russian assets to support Ukraine, in a way that is consistent with EU and international law. The Commission is <u>scheduled</u> to publish its final draft plan on 12 December, if preparatory works with experts from the EU Member States go according to plan. Belgian Prime Minister Alexander De Croo <u>announced</u> in October that his country had created a €1.7 billion fund for Ukraine, using funds from the taxation of Russian assets frozen in Belgium.

Middle East

Having called for 'humanitarian corridors and pauses for humanitarian needs' at their October 2023 meeting, EU leaders are likely to welcome the truce between Israel and Hamas, which allowed humanitarian aid to enter Gaza from 24 November until 1 December. Part of the deal was also for Hamas to release hostages in exchange for the release of Palestinian prisoners by Israel. Since the October 7 attack, EU Member States have been united in their calls for the hostages' release. It is thus likely that the European Council will welcome the release of 108 hostages, which occurred during the truce, and call for the swift release of the remaining hostages. The issue of humanitarian pauses is a more sensitive one, on which EU leaders held varying opinions ahead of the October European Council meeting. EU leaders may however call for further such pauses to take place.

As the humanitarian situation in Gaza worsens, EU Member States have looked for possible ways to increase the provision of humanitarian aid. In Paris, at an international conference on aid for Gaza, Cyprus put forward the idea (supported by a number of EU Member States) of creating a maritime corridor for aid. France suggested expanding the use of the maritime corridor by evacuating severely wounded people onto hospital ships off the coast of Gaza. Other EU Member States have also stated their readiness to send ships with medical equipment. Maritime aid corridors and floating hospitals may be discussed as part of the broader discussion on humanitarian aid for Gaza.

Building on discussions in the <u>Council</u> in November, EU leaders may consider post-conflict scenarios and ways of guaranteeing sustainable peace and stability for Palestine, Israel and the wider region. They may also reiterate their calls for an international peace conference in the near future.

Enlargement

Russia's war on Ukraine has lent new impetus to the enlargement debate. Back in <u>June 2022</u>, the European Council decided to grant Ukraine and Moldova candidate country status, and signalled its readiness to grant this status to Georgia once the priorities in the Commission's opinion on Georgia's application had been addressed. Following the Commission's <u>positive recommendations</u> of

8 November 2023, the European Council will seek an agreement in principal on opening EU accession negotiations with Ukraine and Moldova, while granting candidate status to Georgia; the latter would be contingent on meeting conditions laid down by the Council on 12 December.

Nevertheless, Member States hold varied opinions on EU enlargement, and on the pace thereof. Some Member States are <u>concerned</u> that the swift path towards EU membership of the three above-mentioned countries could be perceived as unfair by others that have been seeking EU membership for a longer period, notably in the Western Balkans. As previously mentioned, Orban has threatened to <u>block</u> a decision on the opening of Ukraine's accession negotiations. At the same time, however, Hungary has been in favour of <u>granting</u> Georgia candidate status and of opening negotiations with <u>Bosnia and Herzegovina (BiH)</u>. These requests could provide negotiating elements for an agreement on enlargement in December.

Along with the opening of accession negotiations, the other dividing topic between EU Member States with respect to enlargement is whether or not the EU should carry out reforms ahead of enlargement, and if so, what type of reforms. Although enlargement will impact on both EU decision-making processes and EU policies, some Member States do not see the need for any Treaty changes before the arrival of new members. Following the insistence of countries such as Germany, France and Portugal, however, a consensus seems to be emerging on the need for internal reforms aimed at preparing a solid foundation for enlargement. This 'adaptation process', which would run in parallel with the reforms carried out by the candidate countries, would be addressed by the European Council at its forthcoming meetings, with a view to concluding the matter by summer 2024.

From the European Parliament's point of view, internal reforms would not be sufficient to make the EU fit for enlargement. On 22 November 2023, Parliament adopted a <u>resolution</u> asking the European Council to call a convention for the revision of the Treaties, with a view to giving citizens a stronger say and creating a more effective European Union. During the <u>plenary debate</u> on the resolution, the representative of the Spanish Council Presidency <u>indicated</u> that the Presidency would submit the document to the General Affairs Council (GAC) so that it could be submitted, in turn, to the December European Council meeting. However, the topic has not been added to the <u>agenda</u> of the 12 December GAC; it is therefore unlikely that EU leaders will discuss Parliament's request.

Multiannual financial framework

While the <u>annotated draft agenda</u> indicates that EU leaders have 'the objective of reaching an agreement' on the revision of the multiannual financial framework (MFF), the outcome seems very uncertain at this stage. The positions of the EU Member States have not moved since the <u>26-27 October meeting</u>. While many Member States (including the <u>Netherlands</u> and <u>Germany</u>) want to limit the MFF revision to the needs created by the war in Ukraine, others support the full <u>Commission package</u>, which includes funding for a number of new priorities. At the same time, while some Member States (such as <u>France</u>, <u>Austria and the Nordic countries</u>) want to see further reprioritisation and reallocation efforts within the current budget, others want the revised MFF to provide fresh money.

The <u>budget situation in Germany</u>, following the Constitutional Court ruling that Germany's use of special funds to finance energy and green subsidies violated the constitutional 'debt brake', has further complicated discussions at EU level. Another complicating factor is the <u>position</u> of Orban, who has already positioned himself against any decision on the MFF revision in December. As is often the case on MFF-related matters, an extraordinary European Council meeting in February 2024 is already being considered.

Security and defence

The European Council conclusions will address the <u>implementation</u> of past conclusions on security and defence since the <u>informal European Council meeting</u> in Versailles, but also <u>call</u> for the

Commission to present its proposal for a European defence investment programme. This is not, however, expected to be a topic for discussion at the meeting.

Migration

The European Council will hold a strategic discussion on migration, and once again condemn the instrumentalisation of migrants for political purposes.

Other items

EU-Turkey

EU leaders may discuss a <u>joint communication</u> from Borrell and the Commission, requested by EU leaders in June 2023, setting out recommendations on a strategic approach to EU-Turkey relations.

Western Balkans

The European Council meeting will be preceded by an <u>EU-Western Balkans Summit</u> on 13 December, at which EU leaders will meet with their six Western Balkan counterparts. Discussions at this summit may feed into the European Council conclusions. EU leaders may also consider the outcome of the sixth <u>Western Balkans Summit</u>, which took place in Sofia on 2 December and focused, inter alia, on EU enlargement.

2023 Climate Change Conference (COP28)

EU leaders may refer to the outcome of COP28 in their conclusions.

Strategic Agenda 2024-2029

Michel is expected to update EU leaders on the consultations – launched on 5-6 October in <u>Granada</u> – on the next set of long-term priorities for the EU. These discussions are closely linked with the issue of enlargement, possible EU internal reform and the revision of the multiannual financial framework, all topics on which Member States have diverging views.

In a letter to EU leaders on 8 November, Michel <u>set out plans</u> for the process, envisaging a series of meetings, each with a small number of EU leaders, representing a mix of geographical regions, political party affiliations and opinion. So far, four such meetings have taken place: on 13 November in <u>Berlin</u>, 14 November in <u>Copenhagen</u>, 16 November in <u>Zagreb</u> and 28 November in <u>Paris</u>, with a total of 23 Member States' leaders participating. A second round of small group meetings will take place early in 2024. Leaders are expected to adopt the Strategic Agenda for 2024 to 2029 in June 2024.

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