European Council

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COVER NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	European Council meeting (28 June 2016) – Conclusions

Delegations will find attached the conclusions adopted by the European Council at the above meeting.

I. MIGRATION

1. Further to the decision to fully apply the Schengen Borders Code and the implementation of the EU-Turkey statement of 18 March 2016, crossings from Turkey to the Greek islands have sharply decreased and have now almost come to a halt. It is important to continue working actively to further stabilise the situation and to ensure a sustainable solution. The legislation recently adopted by Turkey on the treatment of both Syrians and other nationalities allows for the return of migrants to Turkey in full respect of the provisions on inadmissibility under the Asylum Procedures Directive. Considerable progress has been made by both sides to implement the full range of action points contained in the EU-Turkey statement and the European Council looks forward to further determined action. The European Council recalls the need to provide continued support to Western Balkan countries, including in their fight against smugglers, and to remain vigilant about potential developments regarding other routes so as to be able to take rapid and concerted action. Further action is required to accelerate the implementation of the existing relocation and resettlement schemes.

2. In the Central Mediterranean, flows of predominantly economic migrants remain at the same level as last year. The flows must be reduced, thus saving lives and breaking the business model of smugglers. The relevant security procedures must be fully applied to ensure full control over external borders. Delivering rapid results in preventing illegal migration and returning irregular migrants requires an effective Partnership Framework of cooperation with individual countries of origin or transit. This will contribute towards the implementation of the Valletta Action Plan, which should be stepped up. Building on the Commission communication, the EU will put into place and swiftly implement this Framework based on effective incentives and adequate conditionality, starting with a limited number of priority countries of origin and transit, with the following objectives:

   - to pursue specific and measurable results in terms of fast and operational returns of irregular migrants, including by applying temporary arrangements, pending the conclusion of full-fledged readmission agreements;

- to create and apply the necessary leverage, by using all relevant EU policies, instruments and tools, including development and trade;
- to also mobilise elements falling within Member States' competence and to seek synergies with Member States in relations with the specific countries.

Cooperation on readmission and return will be a key test of the partnership between the EU and these partners.

3. The High Representative, including in her role as Vice-President of the Commission, will lead the implementation of this new approach and ensure close and effective coordination between the EU institutions and services and the Member States, with a view to concluding the first compacts before the end of the year. The Council and the Commission will regularly monitor the process, assess its results and report to the European Council.

4. All relevant instruments and sources of funding should be mobilised in a coherent manner in support of the approach set out above. The Council is invited to rapidly examine the proposals made by the Commission to that effect. In addition:

- the European Investment Bank's initiative in the Southern Neighbourhood and Western Balkan countries, as a first step in the new framework of cooperation, will help to foster investment in partner countries and has our full support. To implement this initiative swiftly, the Council is asked to rapidly explore how to provide the required resources;
- the Commission is invited to present by September 2016 a proposal for an ambitious External Investment Plan, which should be examined as a matter of priority by the European Parliament and the Council.

Complementarity among all the above initiatives must be ensured.

5. The approach set out above will be dynamic and will be extended if necessary to other countries or regions to reflect migration flows.

6. The EU and its Member States will continue to address the root causes of illegal migration, in close cooperation and in a spirit of mutual ownership with the countries of origin.

7. Ahead of the upcoming G20 Summit and the UN General Assembly High-Level meeting on large movements of refugees and migrants, the European Council recalls that migration is a global challenge that requires a strong response from the international community.

8. The European Council will continue to address and monitor all aspects of the EU's comprehensive approach to the migration challenge, as set out in the European Council conclusions of October 2015, and to define the general political directions and priorities. Recalling the need to reinforce the control of the EU's external borders to meet both migration and security objectives, it welcomes the political agreement between the European Parliament and the Council on the European Border and Coast Guard proposal and asks for its swift adoption and rapid implementation.

II. JOBS, GROWTH AND INVESTMENT

European Semester

9. The European Council generally endorsed the country-specific recommendations as discussed by the Council, thus allowing the conclusion of the 2016 European Semester.

Single Market

10. Delivering a deeper and fairer Single Market will be instrumental in creating new jobs, promoting productivity and ensuring an attractive climate for investment and innovation. This requires a renewed focus across Europe. The European Council calls for the different Single Market strategies, including on energy, and action plans proposed by the Commission to be completed and implemented by 2018.

11. The European Council today adopted an agenda calling for swift and determined progress:

- to bring the full benefits of the Digital Single Market to all stakeholders through:
  - cross-border portability, which will allow EU residents to travel with the digital content they have purchased or subscribed to at home;
  - removing barriers to e-commerce, including unjustified geo-blocking which prevents online customers from accessing and purchasing a product or service from a website based in another Member State. Reducing the costs of parcel delivery and modernising VAT systems will further facilitate cross-border selling of goods and services;
  - the review of the wholesale roaming market in view of abolishing roaming surcharges by June 2017;
  - the invitation to governments and EU institutions to meet the targets of the eGovernment Action Plan;
  - reforms of the copyright and audiovisual frameworks;

- to create the right conditions for stimulating new business opportunities by:
  - ensuring very high-capacity fixed and wireless broadband connectivity across Europe, which is a precondition for future competitiveness. The review of the telecoms regulatory framework should aim to incentivise major network investments while promoting effective competition and consumer rights;
  - better coordinating spectrum assignment modalities together with the timely release of the 700 MHz band so as to help ensure Europe's leadership in the roll-out of 5G networks;
  - coordinating EU efforts on high-performance computing. In this context the European Council looks forward to the launch of an important project of common European interest in this field;
- to support service providers seeking to expand across borders. A services passport, in line with the Council conclusions of 29 February 2016, will enable entrepreneurs in key sectors to offer their services in other Member States without going through unnecessary procedures and will contribute to promoting innovation;
- to ensure easier access to finance for businesses and to support investment in the real economy by moving forward with the Capital Markets Union agenda. In particular, swift progress should be made on the proposal for the simplification of prospectus requirements and the proposals for simple, standardised and transparent securitisation, to be agreed by the end of 2016;
- to vigorously pursue efforts towards better regulation.

12. The Council will report annually to the June European Council on progress in deepening the Single Market in all its aspects. Better implementation and enforcement of existing legislation will further help to reap the benefits of Europe's Single Market ambitions.

Trade

13. The President of the European Commission updated the European Council on ongoing trade negotiations. The European Council recalls its previous conclusions on trade and on the steel sector and will return to the issue for a comprehensive discussion at its forthcoming October meeting. In this context, the European Council calls for the swift completion of the work on trade defence instruments.

Investment Plan (including the EFSI)

14. The Investment Plan for Europe, in particular the European Fund for Strategic Investments (EFSI), has already delivered concrete results and is a major step to help mobilise private investment while making smart use of scarce budgetary resources.

15. The Commission intends to soon put forward proposals on the future of the EFSI, which should be examined as a matter of urgency by the European Parliament and the Council.

Economic and Monetary Union

16. The European Council took stock of the progress achieved in the work towards completing the Economic and Monetary Union, including the roadmap to complete the Banking Union, and calls for work to be taken forward. It endorses the recommendation on National Productivity Boards.

Taxation

17. The fight against tax fraud, evasion and avoidance, and against money laundering remains a priority, both within the EU and internationally. This is illustrated by the recent adoption of relevant EU legislation to take up this challenge, in particular in the area of exchange of information on tax rulings and country-by-country reporting, as well as the agreement reached on the Anti Tax-Avoidance Directive. The publication by the Commission of an Action Plan aiming at the creation of a modernised and fraud-proof single VAT area is also an important element of the overall approach.

Agriculture

18. Recalling its March 2016 conclusions, the European Council took stock of the developments in the agricultural sector, notably dairy and pigmeat. It invites the Commission to urgently implement all necessary support measures including, where appropriate, financial support to assist farmers, and calls on all actors in the supply chain to help improve market conditions.

III. EXTERNAL RELATIONS

19. The European Council reiterates its readiness to support the Government of National Accord (GNA), and calls on all groups in Libya to work with the GNA as the sole legitimate government in Libya to restore stability, fight terrorism and tackle migration across the Central Mediterranean. In this context, the European Council welcomes the adoption of UNSC Resolution 2292 and the expanded role for Operation Sophia in enforcing the arms embargo on Libya and training the Libyan Coast Guard.

20. The European Council welcomes the presentation of the Global Strategy for the European Union's Foreign and Security Policy by the High Representative and invites the High Representative, the Commission and the Council to take the work forward.

21. EU-NATO cooperation was discussed in the presence of the NATO Secretary General. The European Council called for further enhancement of the relationship, in light of our common aims and values and given unprecedented challenges from the South and East. This new ambition should take the form of accelerated practical cooperation in selected areas. The new impetus in EU-NATO cooperation will take place in the spirit of full openness and in full respect of the decision-making autonomy and procedures of both organisations, be based on the principle of inclusiveness and be without prejudice to the specific character of the security and defence policy of any Member State. The President of the European Council and the President of the European Commission will issue a declaration together with the NATO Secretary General in Warsaw in July.

22. The Dutch Prime Minister presented the outcome of the referendum in the Netherlands on the Association Agreement with Ukraine, as well as the concerns expressed in the debate preceding the referendum. The European Council invites the Council to seek a solution addressing these concerns as soon as possible.

IV. OUTCOME OF THE UK REFERENDUM

23. The UK Prime Minister informed the European Council about the outcome of the referendum in the UK.