Brussels, 9 March 2017
(OR. EN)

Conclusions by the President of the European Council

The European Council deliberated on the attached document. It was supported by 27 Members of the European Council, but it did not gather consensus, for reasons unrelated to its substance.

References to the European Council in the attached document should not be read as implying a formal endorsement by the European Council acting as an institution.

I. JOBS, GROWTH AND COMPETITIVENESS

1. The reform agenda put in place by the EU and its Member States in the wake of the 2008 crisis is bearing fruit. Economic growth has now returned to all 28 Member States and the outlook is encouraging, both for the euro area and the EU overall. Unemployment, though still at too high a level, is at its lowest since 2009, the state of public finances is improving and investment, while still too weak, is growing.

2. Uncertainties persist, however, and it is therefore important to ensure the sustainability of the recovery. To this end, structural reforms aimed at modernising our economies must be pursued, public finances strengthened and investment promoted, including through the swift extension of the European Fund for Strategic Investments, also with a view to making special efforts to fight unemployment in Member States with particularly high levels.

3. Recalling its earlier conclusions, the European Council reiterates the importance for jobs, growth and competitiveness of a well-functioning Single Market with its four freedoms. Determined action on the digital agenda will allow reaping the benefits of the digital era and benefit innovation. Decisions already taken must be implemented effectively and existing gaps closed through swift progress on legislative proposals, in line with the June 2016 European Council conclusions and the Joint Declaration of 13 December 2016 on the EU's legislative priorities for 2017. The European Council welcomes the decision of the Commission to address the issue of dual quality of foodstuffs in the internal market in the High Level Forum for a better functioning food supply chain. The EU needs concrete action to ensure a strong and competitive industrial base, as set out in its December 2016 conclusions, a fully functioning and interconnected energy market and a flourishing services sector. All will benefit from a stronger Single Market. Completing and implementing the various Single Market strategies by 2018 therefore remains our shared objective. The European Council will review progress in June.

4. Trade remains one of the most powerful engines for growth, supporting millions of jobs and contributing to prosperity. The European Council welcomes the positive vote in the European Parliament on the EU-Canada Comprehensive Economic and Trade Agreement (CETA) and looks forward to its imminent provisional application. This is a clear signal at a time when protectionist tendencies are re-appearing. The EU remains strongly committed to a robust trade policy and an open and rules-based multilateral trading system, with a central role for the WTO. At the same time, the EU has to equip itself with modernised, WTO-compatible tools to tackle unfair trade practices and market distortions. The European Council calls for the quick adoption of the relevant proposals in this respect. The EU will continue to engage actively with international trade partners. This includes resolutely advancing on all ongoing negotiations for ambitious and balanced free trade agreements, including with Mercosur and Mexico; negotiations with Japan are closest to an early conclusion. Trade relations with China should be strengthened on the basis of a shared understanding of reciprocal and mutual benefits. The EU will be particularly vigilant concerning the respect and promotion of key standards, as well as the principle of non-discrimination.

5. The European Council reiterates the need to complete the Banking Union in terms of reducing and sharing risks in the financial sector, in the appropriate order, as set out in the Council conclusions of 17 June 2016. It recalls the importance of international cooperation on the design of common prudential and supervisory standards for financial services.

6. It is of vital importance that the benefits of economic growth reach all citizens. The European Council looks forward to the holding of the Social Summit for Fair Jobs and Growth in Gothenburg on 17 November 2017.

7. The European Council endorses the policy priority areas of the Annual Growth Survey, and invites Member States to reflect them in their forthcoming National Reform Programmes and Stability or Convergence Programmes. The European Council also endorses the draft Council recommendation on the economic policy of the euro area.

II. SECURITY AND DEFENCE

8. The European Council wants the dynamics set in motion by its December 2016 conclusions on External Security and Defence to be maintained and reinforced, according to the parameters set out therein. In the present international environment, Europe must do more to protect its citizens and contribute to peace and stability in its neighbourhood and beyond, including by committing sufficient additional resources, while taking into account national circumstances and legal commitments. In this respect, the European Council welcomes the work done by the Council on 6 March, which provides an extensive overview of where we stand on all issues (CSDP crisis management structures, Permanent Structured Cooperation, Coordinated Annual Review on Defence, Developing Civilian Capabilities) and shows real progress in some key areas. It also recalls the need to implement the "Common set of proposals" for enhanced cooperation with NATO. Building on that momentum, work must be taken further with even greater determination and speed. The European Council welcomes the holding of a high-level conference on security and defence in Prague on 9 June 2017. The European Council will revert to this issue in June 2017 and provide further strategic guidance.

9. The EU remains fully engaged in supporting Member States to ensure internal security and to fight terrorism. We have made major progress in this respect in recent years but we continue to face unprecedented challenges. The European Council calls on co-legislators to agree on the proposal for an Entry and Exit System by June 2017 and speed up work on the proposal for the European Travel Information and Authorisation System. Continuing to implement the renewed European Union Internal Security Strategy 2015-2020 is therefore crucial; the European Council will keep this under review. The European Day of Remembrance of Victims of Terrorism on 11 March is an important reminder of why this matters so much.

III. MIGRATION

10. As shown in the report by the Maltese Prime Minister, many operational measures decided at the informal meeting in Malta on 3 February 2017 are in the process of being implemented. The European Council reiterates its determination to deliver on all the elements of the Malta Declaration and fully supports the work of the Council Presidency, in close cooperation with the Commission and the High Representative. It also stands behind the actions undertaken by individual Member States to support the Libyan authorities as well as their North African and southern neighbours in their efforts to address the challenges of illegal migration. UNHCR and IOM are important partners in this respect. The EU will continue to remain vigilant on all major migration routes so as to be able to react rapidly to developments. The European Council welcomes the Commission Communication on a Renewed Action Plan on Return, called for in the Malta Declaration, as well as the accompanying Recommendation to Member States, and invites the Council to rapidly examine them. It recalls the need to pursue work on a range of well-functioning EU readmission arrangements with third countries.

11. Concerning the internal dimension, the effective application of the principles of responsibility and solidarity remains a shared objective. The European Council calls for further efforts to rapidly deliver on all aspects of the comprehensive migration policy resilient to future crises, including with the aim of achieving consensus on the EU's asylum policy during the current Presidency.

12. The European Council will return to these issues in June 2017.

IV. WESTERN BALKANS

13. In light of the internal and external challenges that the region is facing, the European Council discussed the fragile situation in the Western Balkans, which it will keep under review. It stresses the importance of continuing on the reform path, good neighbourly relations and inclusive regional cooperation initiatives. It reaffirmed its unequivocal support for the European perspective of the Western Balkans. Welcoming the progress made by the countries of the region, the European Council stresses that the EU remains committed and engaged at all levels to support them in conducting EU-oriented reforms and projects.

V. OTHER ITEMS

European Public Prosecutor's Office

14. Following the referral by 17 Member States pursuant to Article 86(1), second subparagraph, TFEU of the draft Regulation on the establishment of the European Public Prosecutor's Office, the European Council discussed the draft and noted that the condition set out at the beginning of Article 86(1), third subparagraph was met, thus opening the way to the possible establishment of enhanced cooperation, in accordance with the provisions of the Treaties.

Election of the President of the European Council

15. The European Council re-elected Mr Donald TUSK President of the European Council for the period from 1 June 2017 until 30 November 2019.

16. The European Council noted the decision of the Heads of State or Government of the Contracting Parties to the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union whose currency is the euro re-appointing Mr Donald TUSK President of the Euro Summit for the period from 1 June 2017 until 30 November 2019.

17. The European Council decided to come back, later this year, to the process, criteria and balances needed regarding high-level appointments for the next institutional cycle.