European Council

Brussels, 23 June 2017
(OR. en)

EUCO 8/17

CO EUR 8
CONCL 3

COVER NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	European Council meeting (22 and 23 June 2017) – Conclusions

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

Today the European Council focused on strengthening Europe and protecting its citizens through effective measures to fight terrorism and develop its common security and defence, to ensure its economic development in a globalised world, to tackle migration and to protect its external borders. A strong and determined Union is the best way to promote our values and interests, support a rules-based multilateral system and mobilise partners for a positive climate policy. It will also help shape globalisation in order to reap the benefits of open markets while protecting against unfair practices and promoting the social, environmental, health and consumer standards that are central to the European way of life. The European Council paid tribute to Helmut Kohl, Honorary Citizen of Europe, who passed away on 16 June 2017.

I. SECURITY AND DEFENCE

Internal security and the fight against terrorism

1. The European Council strongly condemns the recent terrorist attacks and stands united and firm in the fight against terrorism, hatred and violent extremism. These acts have strengthened our resolve to cooperate at EU level so as to enhance our internal security: we will fight the spread of radicalisation online, coordinate our work on preventing and countering violent extremism and addressing the ideology, thwart the financing of terrorism, facilitate swift and targeted exchanges of information between law enforcement authorities, including with trusted partners, and improve the interoperability between databases.

2. Industry has its own responsibility to help combat terrorism and crime online. Building on the work of the EU Internet Forum, the European Council expects industry to establish an Industry Forum and to develop new technology and tools to improve the automatic detection and removal of content that incites to terrorist acts. This should be complemented by the relevant legislative measures at EU level, if necessary. It calls for addressing the challenges posed by systems that allow terrorists to communicate in ways that competent authorities cannot access, including end-to-end encryption, while safeguarding the benefits these systems bring for the protection of privacy, data and communication. The European Council considers that effective access to electronic evidence is essential to combating serious crime and terrorism and that, subject to appropriate safeguards, the availability of data should be secured.

3. The agreement on the Entry/Exit System, which is expected shortly, and the finalisation before the end of the year of a European Travel Information and Authorisation System (ETIAS) will pave the way for their rapid implementation, thus enhancing external border control and internal security while taking into account specific situations in Member States which still do not fully apply the Schengen acquis. In that context, the European Council invites the Commission to prepare, as soon as possible, draft legislation enacting the proposals made by the High Level Expert Group on interoperability.

4. We need to accelerate our collective efforts to share knowledge on foreign terrorist fighters as well as home-grown radicalised individuals and take forward policy and legal measures to manage the threat.

5. The European Council underlines the importance of providing support to the victims of terror acts.

External security and defence

6. The European Council reiterates its commitment to strengthening EU cooperation on external security and defence so as to protect the Union and its citizens and contribute to peace and stability in its neighbourhood and beyond. Together with all its diplomatic and civil capabilities, the EU brings a unique mix of possibilities to this enterprise. As reflected in the Council conclusions of 18 May and 19 June 2017, significant progress has been achieved in implementing the EU Global Strategy in the area of Security and Defence and the Joint Declaration signed in Warsaw by EU and NATO leaders. The transatlantic relationship and EU-NATO cooperation remain key to our overall security, allowing us to respond to evolving security threats, including cyber, hybrid and terrorism. The European Council welcomes the establishment in Helsinki of a European Centre of Excellence for Countering Hybrid Threats. The high-level conference on security and defence held in Prague on 9 June 2017 underlined both the complementarity between the EU and NATO and the need to step up European efforts to strengthen our defence related research, capabilities and operations.

7. The joint development of capability projects commonly agreed by Member States to fill the existing major shortfalls and develop the technologies of the future is crucial to fulfil the level of ambition of the EU approved by the European Council in December 2016. The European Council welcomes the Commission's communication on a European Defence Fund, composed of a research window and a capability window, and is looking forward to its swift operationalisation. It calls for rapid agreement on the proposal for a European Defence Industrial Development Programme with a view to its swift implementation, before more comprehensive programmes can be envisaged in the medium term. The European Council calls on Member States to identify suitable capability projects for the European Defence Fund and for the European Defence Industrial Development Programme. The European Council invites the Member States to further work on options for the joint procurement of capabilities within the European Defence Fund based on sound financing mechanisms. The objective is to deliver capabilities, ensure a competitive, innovative and balanced basis for Europe's defence industry across the EU, including by cross border cooperation and participation of SMEs, and to contribute to greater European defence cooperation, by exploiting synergies and mobilising EU support in addition to Member States' financing. European defence industrial development will also require EU support for SME and intermediate (mid-cap) investments in the area of security and defence. In this respect, the European Council recalls its invitation to the European Investment Bank to examine steps with a view to supporting investments in defence research and development activities.

8. To strengthen Europe's security and defence in today's challenging geopolitical environment and to help reach the level of ambition of the EU expressed in the EU Global Strategy, the European Council agrees on the need to launch an inclusive and ambitious Permanent Structured Cooperation (PESCO). A common list of criteria and binding commitments, fully in line with Articles 42(6) and 46 TEU and Protocol 10 to the Treaty - including with a view to the most demanding missions - will be drawn up by Member States within three months, with a precise timetable and specific assessment mechanisms, in order to enable Member States which are in a position to do so to notify their intentions to participate without delay. This work has to be consistent with Member States' national defence planning and commitments agreed within NATO and the UN by Member States concerned. Concrete collaborative projects and initiatives should also be identified in support of PESCO's common goals, commitments and criteria.

9. To strengthen the EU's rapid response toolbox, the European Council agrees that the deployment of Battlegroups should be borne as a common cost by the EU-managed Athena mechanism on a permanent basis. It also urges the Council to speed up its work on greater responsiveness of the civilian crisis management.

10. The European Council will come back to these issues at one of its next meetings.

II. THE PARIS AGREEMENT ON CLIMATE CHANGE

11. The European Council strongly reaffirms the commitment of the EU and its Member States to swiftly and fully implement the Paris Agreement, to contribute to the fulfilment of the climate finance goals, and to continue to lead in the fight against climate change. The Agreement remains a cornerstone of global efforts to effectively tackle climate change, and cannot be renegotiated. The Agreement is a key element for the modernisation of the European industry and economy. It is also key to implementing the 2030 Agenda for Sustainable Development; the recent adoption of the new European Consensus on Development, while pursuing a broader agenda, will also contribute to this objective. The EU and its Member States will enhance cooperation with international partners under the Paris Agreement, in particular with the most vulnerable countries, thereby demonstrating solidarity with future generations and responsibility for the whole planet. The European Council calls on the Council and the Commission to examine all means to achieve these goals. The EU will continue to work closely with all non-State actors, building on the successful example provided by the Global Climate Action Agenda.

III. JOBS, GROWTH AND COMPETITIVENESS

12. Europe needs jobs, growth and competitiveness. The return of economic growth to all 28 Member States is a positive development that needs to be consolidated. The European Council discussed how to best use the potential of the Single Market and of trade and industry to that effect, while ensuring that these developments benefit all parts of society.

Single Market

13. The European Council reiterates the importance of a well-functioning Single Market with its four freedoms in fostering growth, creating jobs and promoting investments and innovation. Co-legislators have made it possible to achieve significant progress towards the shared objective of completing and implementing the various strategies by 2018. There are nevertheless still gaps which require further attention. The European Council therefore emphasises that further efforts are needed from the EU and its Member States to achieve the level of ambition as reflected in the June 2016 conclusions for the Single Market, including on services, the Digital Single Market, the Capital Markets Union and the Energy Union, including interconnections. In this context it welcomes the Commission's mid-term review of the Digital Single Market and of the Capital Markets Union Action Plan. Timely implementation and better enforcement of existing legislation are also key to reaping the benefits of Europe's Single Market. The Council will report to the June 2018 European Council on progress in deepening, implementing and enforcing the Single Market in all its aspects. In order to look beyond the finalisation of the different Single Market strategies and evolve towards a future-proof and fair Single Market, the European Council calls on the Commission to pursue its reflections on innovative ways to address new opportunities, challenges and remaining barriers.

14. The European Council takes stock of the progress made on the European Fund for Strategic Investments and calls on the legislators to rapidly agree on the extension and reinforcement of the Fund.

15. Building on the Council conclusions of May 2017, which call for a future industrial policy strategy, the European Council underlines the essential role of industry as a major driver for growth, employment and innovation in Europe. In line with its own earlier conclusions, it calls for concrete action to ensure a strong and competitive industrial base of the Single Market.

Trade

16. The EU will pursue a robust trade policy upholding an open and rules-based multilateral trading system, with a central role for the WTO. Firm in the belief that trade contributes to creating wealth and jobs, it will keep markets open and fight protectionism. It will actively promote an ambitious free trade agenda on the global scene. To this end, it will seek to foster a truly level playing field, while remaining vigilant concerning the respect and promotion of key standards, including social, environmental, health and consumer standards that are central to the European way of life.

17. The European Council is convinced that trade and investment can only be free if it is also fair and mutually beneficial. The European Council therefore calls on the co-legislators to swiftly agree on modern, WTO-compatible trade defence instruments, which will reinforce the ability of the EU to effectively tackle unfair and discriminatory trade practices and market distortions. It calls on the Commission to ensure their swift and effective application through non-legislative implementing measures to make the EU trade practices and defence instruments more reactive and efficient and to propose, if necessary, complementary measures. It also calls on the Commission and the Council to deepen and take forward the debate on how to enhance reciprocity in the fields of public procurement and investment. In this context, it welcomes the Commission's initiative to harness globalisation and, inter alia, to analyse investments from third countries in strategic sectors, while fully respecting Members States' competences. The European Council will revert to this issue at one of its future meetings.

18. The European Council encourages progress on all ongoing negotiations, including with Mexico, Mercosur and the Asian-Pacific region, for ambitious and balanced free trade agreements, with reciprocity and mutual benefits as guiding principles. The European Council welcomes the progress achieved recently in the negotiations with Japan, which could pave the way for a political agreement.

European Semester

19. The European Council generally endorses the integrated country-specific recommendations as discussed by the Council, thus allowing the conclusion of the 2017 European Semester.

IV. MIGRATION

20. The European Council remains committed to the Union's comprehensive approach to migration, effective control of external borders to stem and prevent illegal flows and the reform of the Common European Asylum System, and the full and non-discriminatory implementation of the EU-Turkey Statement in all its aspects and towards all Member States. Vigilance on all migration routes, including the Western Balkans route, will continue. We will continue to strengthen and make full use of the operational capacities of the European Border and Coast Guard and other agencies. Effective external border control should allow for the lifting of temporary internal border controls.

21. Loss of life and continuing migratory flows of primarily economic migrants on the Central Mediterranean route is a structural challenge and remains an issue of urgent and serious concern. The EU and its Member States will have to restore control to avoid a worsening humanitarian crisis. To this end they have to act decisively now by stepping up coordination and delivery on all the elements contained in the Malta Declaration, the Partnership Framework and the Joint Valletta Action Plan, underpinned by sufficient financial resources. This also implies continued and enhanced cooperation with countries of origin and transit, including strengthening regional cooperation in Search and Rescue activities, which remains a high priority. Training and equipping the Libyan Coast Guard is a key component of the EU approach and should be speeded up. The IOM and the UNHCR will remain important partners, including to facilitate voluntary returns and improve reception conditions. Cooperation with countries of origin and transit shall be reinforced in order to stem the migratory pressure on Libya's and other neighbouring countries' land borders. The European Council underlines in this context the importance of supporting the G5 Sahel Joint force. There, as elsewhere, the disruption of the business models of human smugglers and traffickers remains a key objective, including by better controlling the trade in equipment used by them.

22. Further efforts shall also be made to achieve real progress in return and readmission policy. Building on the Renewed Action Plan on Return, well-functioning readmission agreements and pragmatic arrangements with third countries shall be put in place at EU level without any further delay by using all possible levers, including by reassessing visa policy towards third countries, as needed. Bilateral arrangements of Member States with third countries also contribute to this objective.

23. The European Council reaffirms its previous conclusions on the reform of the Common European Asylum System (CEAS). Thanks to the progress made under the Maltese Presidency, there is a common understanding that the reformed CEAS needs to strike the right balance between responsibility and solidarity and that it needs to ensure resilience to future crises. The system has to be efficient, be able to withstand migratory pressure, eliminate pull factors as well as secondary movements, in compliance with international law, fight abuse and provide adequate support to the most affected Member States. The Commission is invited to explore possible solutions to alleviate the burden on frontline Member States. In order to enhance cooperation with third countries and prevent new crises, the 'safe third country' concept should be aligned with the effective requirements arising from the Geneva Convention and EU primary law, while respecting the competences of the EU and the Member States under the Treaties. In this context, the European Council calls for work on an EU list of safe third countries to be taken forward. This will be part of a future overall agreement on the CEAS. The European Council invites the Council to continue negotiations on this basis and amend the legislative proposals as necessary, with the active help of the Commission. The European Council will revert to these issues.

V. DIGITAL EUROPE

24. Looking ahead at the work programme for the second half of the year, and in particular the Digital Summit in Tallinn on 29 September 2017, the European Council highlights the overarching importance of an ambitious digital vision for Europe, its society and economy. A holistic approach to digital is necessary to face up to the challenges of and use the opportunities flowing from the 4th industrial revolution. This requires the implementation of the Digital Single Market strategy in all its elements. At the same time, we should take a broader look at markets, infrastructure, connectivity, societal and cultural aspects, including the digital divide, norms and standards, content and data, investment, cybersecurity, e-government and research & development. In order to meet current and future cyber-security challenges, the European Council welcomes the Commission's intention to review the Cybersecurity Strategy in September and to propose further targeted actions before the end of the year.