European Council

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**COVER NOTE**

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| From: | General Secretariat of the Council |
| To: | Delegations |
| Subject: | European Council meeting (22 March 2018) – Conclusions |

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

## I. JOBS, GROWTH AND COMPETITIVENESS

### *Single Market*

1. The European Council calls for increased efforts to deliver, before the end of the current legislative cycle, on the Single Market strategy, the Digital Single Market strategy, the Capital Markets Union Action Plan and the Energy Union, including through the swift examination of recent Commission proposals. Decisions already taken must be implemented effectively. Looking beyond the completion and implementation of the strategies, the EU needs to keep working towards a future-proof and fair single market that is fit for the digital age and an enabler for competitiveness, innovation and sustainability. The European Council therefore invites the Commission to present to the Council, before the Leaders' Agenda discussion in December 2018, a state of play regarding the implementation, application and enforcement of existing legislation that is key for the functioning of the Single Market and an assessment of remaining barriers to and opportunities for a fully functioning Single Market. To reap the maximum benefits of the Single Market the EU needs a strong industrial policy.

### *Trade*

2. The European Council reaffirms its commitment to an open and rules-based multilateral trading system with the WTO at its core, firm in the belief that free and fair trade is one of the most powerful engines for growth, supporting millions of jobs and contributing to prosperity. The European Council encourages progress on all ongoing negotiations for ambitious and balanced free trade agreements, in particular with Mexico and Mercosur. It looks forward to the signature and conclusion of the agreements reached with Japan and Singapore. The Commission will examine how to strengthen the enforcement of commitments undertaken by third countries. The EU will continue to pursue a robust trade policy, to promote its values and standards globally and to seek a level playing field. In this context, the European Council calls on the co-legislators to make progress on the pending legislative proposals in the fields of investment and public procurement.

3. The European Council regrets the decision by the United States to impose import tariffs on steel and aluminium. These measures cannot be justified on the grounds of national security, and sector-wide protection in the US is an inappropriate remedy for the real problems of overcapacity, on which the EU already has offered the US its full cooperation in multiple fora, including the Global Forum. It takes note that shipments of steel and aluminium from the European Union have been temporarily exempted from such measures, and calls for that exemption to be made permanent. The European Council strongly supports the steps taken by the Commission to ensure that the interests of the EU are fully protected and to reserve its rights, in compliance with World Trade Organisation rules, to respond to the US measures as appropriate and in a proportionate manner. The European Council recalls its commitment to strong transatlantic relations as a cornerstone of the security and prosperity of both the United States and the European Union, and underlines its support for a dialogue on trade issues of common concern.

***European Semester***

4. 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.

***Social issues***

5. Delivering on the European Pillar of Social Rights is a shared political commitment and responsibility of the EU and its Member States. Its implementation will be monitored with due regard to the respective competences of the Union and Member States. The European Council invites the Council to examine the initiatives presented by the Commission under the Social Fairness package, including the proposal on a European Labour Authority.

## II. OTHER ITEMS

***Paris Agreement***

6. The European Council invites the Commission to present by the first quarter of 2019 a proposal for a Strategy for long-term EU greenhouse gas emissions reduction in accordance with the Paris Agreement, taking into account the national plans.

***Digital Europe***

7. Social networks and digital platforms need to guarantee transparent practices and full protection of citizens' privacy and personal data. EU and national legislation must be respected and enforced. This important issue, together with other issues relating to Digital Europe, including the adoption of all the legislative instruments establishing the Digital Single Market in 2018, and the promotion of research and innovation, such as artificial intelligence and the means to support breakthrough innovation and the development of digital skills, will be discussed by the Heads at their informal meeting in Sofia in May.

***Western Balkans***

8. Against the background of the Commission Communication of 6 February 2018, the European Council:

- looks forward to the EU-Western Balkans Summit to be held in Sofia on 17 May 2018, which is expected to focus on reaffirming the European perspective of the region, launching concrete and visible initiatives to improve the physical and human connectivity within the region and with the EU, and addressing how to better engage together on shared challenges such as security and migration;

- confirms that enlargement will be addressed by the Council in June.

***Salisbury attack***

9. The European Council condemns in the strongest possible terms the recent attack in Salisbury, expresses its deepest sympathies to all whose lives have been threatened and lends its support to the ongoing investigation. It agrees with the United Kingdom government's assessment that it is highly likely that the Russian Federation is responsible and that there is no plausible alternative explanation. We stand in unqualified solidarity with the United Kingdom in the face of this grave challenge to our shared security.

10. The use of chemical weapons, including the use of any toxic chemicals as weapons under any circumstances, is completely unacceptable, must be systematically and rigorously condemned and constitutes a security threat to us all. Member States will coordinate on the consequences to be drawn in the light of the answers provided by the Russian authorities. The European Union will remain closely focused on this issue and its implications.

11. Against this background, the European Union must strengthen its resilience to Chemical, Biological, Radiological and Nuclear-related risks, including through closer cooperation between the European Union and its Member States as well as NATO. The European Union and its Member States should also continue to bolster their capabilities to address hybrid threats, including in the areas of cyber, strategic communication and counter-intelligence. The European Council invites the European Commission and the High Representative to take this work forward and report on progress by the June European Council.

***Actions by Turkey in the Eastern Mediterranean and the Aegean Sea***

12. The European Council strongly condemns Turkey's continued illegal actions in the Eastern Mediterranean and the Aegean Sea and underlines its full solidarity with Cyprus and Greece.

13. Recalling its conclusions of October 2014 and the Declaration of 21 September 2005, the European Council urgently calls on Turkey to cease these actions and respect the sovereign rights of Cyprus to explore and exploit its natural resources in accordance with EU and International Law.

14. In this context, it recalls Turkey's obligation to respect International Law and good neighbourly relations, and normalize relations with all EU Member States including the Republic of Cyprus.

15. The European Council expressed its grave concern over the continued detention of EU citizens in Turkey, including two Greek soldiers, and calls for the swift and positive resolution of these issues in a dialogue with Member States.

16. The European Council will remain seized of these matters.