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NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council
Subject: European Council meeting (20 and 21 March 2025)
– Draft conclusions

In accordance with Article 3(1) of the Rules of Procedure of the European Council, delegations will find attached the draft conclusions prepared by the President of the European Council, in close cooperation with the member of the European Council representing the Member State holding the six-monthly Presidency of the Council and with the President of the Commission.

The European Council held an exchange of views with the UN Secretary General António Guterres on the geopolitical situation, reaffirming the European Union's steadfast commitment to effective multilateralism and to the rules-based international order with the United Nations at its core.

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I. UKRAINE

p.m.: follow-up of the special meeting of the European Council of 6 March 2025 / latest developments

II. MIDDLE EAST

1. The European Council addressed the situation and latest developments in the Middle East.

III. COMPETITIVENESS

2. The European Council underlines the urgency to step up efforts to strengthen Europe's competitiveness, building on its conclusions of April 2024 and the Budapest Declaration on the New European Competitiveness Deal. In that regard, the European Council welcomes the presentation of the Competitiveness Compass of 29 January 2025, of the Clean Industrial Deal of 26 February 2025 and of the recent Omnibus simplification packages.
3. 2025 should mark a step change in the EU's action to boost competitiveness. In order to achieve this goal, the European Council agrees to give priority to simplification and reducing administrative burden, lowering energy prices and mobilising private savings to unlock necessary investment in the EU economy.

Simplification and reducing administrative burden

4. Following up on the Commission communication on implementation and simplification of 11 February 2025, the European Council calls for efforts at all levels – EU, national and regional – to ensure a clear, simple and smart regulatory framework and to deliver as a matter of urgency on drastically reducing administrative and reporting burdens for businesses, while maintaining agreed policy objectives. In this context, the European Council:
- a) calls on the Commission and the co-legislators to work towards implementing the target of reducing the cost of all administrative burden by 25%, and by 35% for SMEs;
 - b) calls on the Commission to keep reviewing and stress-testing the EU acquis to identify ways to simplify and consolidate legislation;
 - c) urges the Commission and the co-legislators to take work forward on the simplification agenda as a matter of priority and in a focussed and targeted way, notably with a view to finalising in 2025 the recent Omnibus proposals of the Commission; and
 - d) urges the Commission and the co-legislators to prevent, throughout the legislative process, over-regulation and administrative burden.

Energy

5. Recalling its commitment to pursue the dual objective of European energy sovereignty and climate neutrality by 2050, and in order for the Union to remain competitive globally, the European Council:
 - a) calls for all efforts at EU and Member State level to be urgently stepped up, in order to better protect EU citizens against high energy costs, to secure the supply of abundant, affordable and clean energy and to build a genuine Energy Union before 2030, in particular by fully integrating and interconnecting the EU energy market;
 - b) welcomes to that end the presentation of the Commission's Action Plan for Affordable Energy of 26 February 2025, which outlines both short-term and structural measures; and
 - c) urges the Commission, the Council, Member States and all other relevant stakeholders to follow up on actions that provide relief to energy consumers, while preserving the integrity of the Single Market, with a view to delivering on this objective still in 2025.

Savings and Investments Union

6. In the current geopolitical context, it is of paramount importance to complete the Capital Markets Union and the Banking Union as a matter of urgency. A genuine Savings and Investments Union could potentially mobilise hundreds of billions of euro towards additional investment in the European economy every year, helping to boost our competitiveness and meet the challenges ahead.

7. In this context, recalling its conclusions of 6 March 2025 and the commitment in the Budapest Declaration to take decisive steps towards a Savings and Investments Union by 2026, and in the light of the Commission Communication of 19 March 2025, the European Council:
- a) expects the co-legislators to quickly agree on all proposals from the 2020 action plan on the Capital Markets Union and requests the Commission to rapidly present all remaining necessary proposals;
 - b) with a view to expanding opportunities for citizens, calls:
 - on the Commission and the Council to further work towards more retail participation in capital markets by making available European investment and savings possibilities, including enhanced possibilities for EU-wide savings and pension products, in time to allow decisive steps to be taken before 2026; and
 - on the Commission to swiftly propose in 2025 improvements to the existing pan-European personal pension product;
 - c) with a view to increasing private funding for businesses, calls on the Commission:
 - to put forward proposals to improve the equity and venture capital ecosystem and to propose a 28th company law regime for innovative companies to scale up, in time to allow the co-legislators to take decisive steps by 2026; and
 - to swiftly propose in 2025 a revised securitisation framework, including by adjusting the prudential framework, while maintaining financial stability;

- d) with regard to reducing fragmentation, calls on the Commission, working with national and European competent authorities:
- to ensure convergent supervisory practices. To that end, it is essential to foster more homogenous implementation, interpretation, application and enforcement of EU law by national competent authorities, and to move towards common supervision in key areas such as clearing (CCPs), securities (CSDs) and crypto-assets and related services;
 - to swiftly remove barriers to market-led consolidation of market infrastructure and to cross-border investment; and
 - to streamline existing rules and eliminate duplications, clarify regulatory provisions and reduce the cost of compliance and reporting;
- e) *p.m.: mobilising private financing for European defence*

Other actions and way forward

8. These competitiveness priorities should be supported by an ambitious Single Market Strategy, which is due to be presented in June 2025. The European Council also calls for the following specific work strands to be pursued without delay:
- a) building on the Clean Industrial Deal, the Industrial Action Plan for the European automotive sector of 5 March 2025 [and the Steel and Metals Action Plan of 19 March 2025], work must be stepped up to secure Europe’s industrial innovation, renewal and decarbonisation and to ensure the growth of tomorrow’s key technologies, while paying particular attention to traditional industries in transition; and
 - b) following the communication on a ‘Union of Skills’ on 5 March 2025, further efforts should be made to enhance the creation, retention and recognition of skills across the EU, from basic skills to life-long learning, re-skilling and up-skilling, in line with the European Pillar of Social Rights.

9. The European Council addressed priorities for the 2025 European Semester and endorses the Recommendation on the economic policy of the euro area. The European Council also considered the employment situation in the Union.
10. The European Council stresses that, going forward, all the above-mentioned competitiveness priorities and actions should work together, in a mutually-reinforcing manner, to support innovation, investment, convergence, connectivity, growth and economic resilience in the European Union. It remains seized of all these matters.

IV. EUROPEAN DEFENCE

11. *p.m.: presentation of the White Paper on the Future of European Defence*

V. NEXT MULTIANNUAL FINANCIAL FRAMEWORK AND NEW OWN RESOURCES

12. The European Council had a first exchange of views on the next Multiannual Financial Framework and on new own resources.

VI. MIGRATION

13. The European Council took stock of progress in the implementation of its conclusions on migration, [including in light of the recent letter from the President of the Commission]. The European Council encourages further work to be undertaken in particular on: the external dimension; the implementation of adopted EU legislation and the application of existing legislation; the prevention and countering of irregular migration, including through new ways in line with EU and international law; efforts to facilitate, increase and accelerate returns; safe third countries and safe countries of origin; the fight against instrumentalisation, human trafficking and smuggling; as well as safe and legal pathways in line with national competences.

14. The European Council calls on the co-legislators to advance as a matter of priority on files with a migration dimension. It takes note of [the recent Commission proposal on returns] and invites the co-legislators to examine it swiftly.

VII. OCEANS

15. In view of current global challenges, notably the climate crisis and geopolitical uncertainty, the European Council stressed the strategic importance of the oceans and the blue economy in strengthening the EU's competitiveness, environmental sustainability and security.
16. The European Council calls on the Commission to put forward an ambitious, holistic and forward-looking European Oceans Pact that will foster healthy oceans, energy and maritime security, the EU's sustainable and competitive blue economy, and contribute to global science-based oceans knowledge and responsible governance.
17. In addition, the European Council took stock of preparations for the UN Ocean Conference in Nice on 9-13 June 2025, calling for increased global action and ambition, including an accelerated ratification of the Agreement on Biodiversity Beyond National Jurisdiction.

VIII. MULTILATERALISM

18. The European Council is committed to the Pact for the Future, which is a crucial step towards revitalising the United Nations, achieving the Sustainable Development Goals, and reforming the international financial architecture. The European Union stands ready to cooperate with all stakeholders to ensure its effective implementation.

19. The European Council looks forward to the 4th International Conference on Financing for Development in Seville from 30 June to 3 July 2025, which will be an important step to put in place a renewed global financing framework for sustainable development. It calls on relevant EU institutions, together with Member States, to work towards an ambitious outcome.
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