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**NOTE**

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

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*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.*

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*The European Council held an exchange of views with UN Secretary-General António Guterres on the geopolitical situation and multilateralism.*

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## **I. UKRAINE**

1. Recalling its previous conclusions, the European Council reaffirms its continued and unwavering support for Ukraine's independence, sovereignty and territorial integrity within its internationally recognised borders. The European Union maintains its 'peace through strength' approach, which requires Ukraine to be in the strongest possible position, with its own robust military and defence capabilities as an essential component. In line with this approach, the European Union remains committed, in coordination with like-minded partners and allies, to providing further comprehensive support to Ukraine and its people, as it exercises its inherent right to self-defence against Russia's war of aggression.
2. The European Council reiterates its support for a comprehensive, just and lasting peace based on the principles of the UN Charter and international law and welcomes all efforts towards achieving such a peace. It recalls the principles it set out on 6 March 2025 that should guide peace negotiations.
3. The European Council welcomes the joint statement by Ukraine and the United States following their meeting in the Kingdom of Saudi Arabia on 11 March 2025, including the proposals for a ceasefire agreement, humanitarian efforts and the resumption of US intelligence sharing and security assistance. The European Council calls on Russia to show real political will to end the war.

4. A credible pathway to peace must include humanitarian relief efforts, notably the exchange of prisoners of war, the release of civilians and the return of all Ukrainian children and other civilians unlawfully deported and transferred to Russia and Belarus.
5. The European Union remains ready to step up pressure on Russia, including through further sanctions and by strengthening the enforcement of existing measures, including further means and measures to counter their circumvention, in order to weaken its ability to continue waging its war of aggression. Subject to EU law, Russia's assets should remain immobilised until Russia ceases its war of aggression against Ukraine and compensates it for the damage caused by this war.
6. The European Union and its Member States will contribute to the peace process and help secure a just and lasting peace for Ukraine, which is in the interest of both Ukraine and Europe as a whole.
7. A comprehensive peace agreement, which respects Ukraine's independence, sovereignty and territorial integrity, needs to be accompanied by robust and credible security guarantees for Ukraine to deter future Russian aggression. The European Council welcomes the efforts that have started in this regard together with like-minded and NATO partners. The European Union and Member States are ready to contribute to security guarantees, in particular by supporting Ukraine's ability to defend itself effectively, based on their respective competences and capabilities, in line with international law.
8. The European Union will continue to provide Ukraine with regular and predictable financial support. The European Council calls on the Commission to swiftly take all necessary measures to frontload financing under the Ukraine Facility and the G7 ERA initiative. It urges the Commission and Member States to use all options under the Ukraine Facility to increase financial support to Ukraine.

9. Recalling the initiative of the High Representative to enhance EU military support to Ukraine, the European Council calls on Member States to urgently step up efforts to address Ukraine's pressing military and defence needs.
10. All military support as well as security guarantees for Ukraine will be provided in full respect of the security and defence policy of certain Member States and taking into account the security and defence interests of all Member States.
11. The European Council reaffirms the EU's strong commitment to ensuring full accountability for war crimes and the other most serious crimes committed in connection with Russia's war of aggression against Ukraine. In this context, it welcomes the progress made on establishing a Special Tribunal for the Crime of Aggression against Ukraine, within the framework of the Council of Europe.
12. The European Union remains committed to supporting Ukraine's repair, recovery, and reconstruction, in coordination with international partners. The Ukraine Recovery Conference hosted by Italy in July 2025 will be important in that context.
13. The European Council reiterates the inherent right of Ukraine to choose its own destiny, based on the UN Charter and international law. The European Union will intensify support for Ukraine's reform efforts on its path towards EU membership, and underlines the importance of progress in the negotiating process.
14. The European Council will revert to this issue at its next meeting.

## **II. MIDDLE EAST**

15. Recalling its previous conclusions, the European Council addressed the situation and latest developments in the Middle East.

16. The European Council calls for progress towards the second phase of the ceasefire-hostage release agreement in Gaza, with a view to its full implementation leading to the release of all hostages and a permanent end to hostilities. It recalls the importance of unimpeded access and sustained distribution of humanitarian assistance at scale into and throughout Gaza. This distribution, as well as the supply of electricity to Gaza, including for the water desalination plant, must be resumed immediately.
17. The European Council welcomes the Arab Recovery and Reconstruction Plan endorsed at the Cairo Summit on 4 March 2025. The European Union stands ready to engage with its Arab partners on that basis.
18. The European Union remains firmly committed to a lasting and sustainable peace based on the two-state solution. The European Union is ready to contribute to all efforts towards this solution and calls on all parties to refrain from actions that undermine its viability. It will continue to work with regional and international partners to that end. The European Union will continue supporting the Palestinian Authority.
19. The European Council strongly condemns the recent widespread violence against civilians in Syria's coastal region and urges the transitional authorities to ensure the protection of all civilians and that perpetrators of violence are held accountable in accordance with international norms and standards. The European Council notes that comprehensive transitional justice in particular is essential on the path to reconciliation.
20. The European Council underlines the importance of a peaceful and inclusive transition in Syria and the protection of the rights of Syrians from all ethnic and religious backgrounds without discrimination. Syria's independence, sovereignty and territorial integrity within secure borders should be fully respected, in accordance with international law. It welcomes the agreement reached on 10 March 2025 between the transitional authorities and the Syrian Democratic Forces. The European Council recalls the EU's recent suspension of restrictive measures as part of a gradual, reversible approach. The European Union will continue to examine possible further suspensions of restrictive measures on the basis of close monitoring of the situation in Syria.

### III. COMPETITIVENESS

21. A more competitive Union will be a stronger Union, better able to protect its citizens, its values and its interests on the global stage while sustaining its prosperity and its social model. The need to invest in our defence and our competitiveness are closely interlinked. The European Council underlines the urgent need to strengthen Europe's competitiveness building on the Budapest Declaration on the New European Competitiveness Deal and on its conclusions of 6 March 2025 on European defence. In that regard, the European Council welcomes in particular the presentation of the Competitiveness Compass of 29 January 2025, the Clean Industrial Deal of 26 February 2025 and the Omnibus simplification agenda.
22. 2025 should therefore mark a step change in the EU's action to boost competitiveness, strengthen the Single Market and ensure successful green and digital transitions. In order to achieve this goal, and contribute to closing the innovation and productivity gap with the EU's global competitors and within the EU, the European Council agrees to give priority to simplification and reducing regulatory and administrative burdens, lowering energy prices and mobilising private savings to unlock necessary investment in the EU economy.

#### *Simplification and reducing administrative burdens*

23. Following up on the Commission communication of 11 February 2025 on implementation and simplification, the European Council calls for efforts at all levels – EU, national and regional – to ensure a clear, simple, smart and innovation-friendly regulatory framework and to drastically reduce, as a matter of urgency, administrative, regulatory and reporting burdens for businesses and public administrations, without undermining predictability, policy goals, high standards and the integrity of the Single Market. In this context, the European Council:
- a) calls on the Commission and the co-legislators to work towards achieving the target of reducing the cost of all administrative burdens by at least 25 %, and by at least 35 % for SMEs;

- b) calls on the Commission to keep reviewing and stress-testing the EU acquis to identify ways to further simplify and consolidate existing legislation;
- c) urges the co-legislators to take work forward on the Omnibus simplification packages presented on 26 February 2025 as a matter of priority and with a high level of ambition, with a view to adopting by the end of June 2025 the stop-the-clock mechanism on sustainability reporting and due diligence and finalising the packages as soon as possible in 2025; and calls on the Commission to rapidly follow up with further simplification packages, including on industrial decarbonisation and on security and defence; and
- d) urges the Commission and the co-legislators to adhere to better regulation principles throughout the legislative process, thereby avoiding over-regulation and the introduction of administrative burdens, in particular on SMEs.

### ***Energy***

24. 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 and businesses from high energy costs, secure the supply of affordable and clean energy and build a genuine Energy Union before 2030, which will require ambitious electrification using all net-zero and low-carbon solutions, and investment in grids, storage and interconnections. The European Council therefore calls for cross-border and Union-wide long-term investment planning, with a view to fully integrating and interconnecting the EU energy market, contributing to the Union's energy security and infrastructure resilience; and

- b) welcomes in that context the presentation of the Commission's Action Plan for Affordable Energy on 26 February 2025, which outlines both structural and short-term measures, in particular for the most affected citizens and businesses, while preserving the integrity of the Single Market; and urges the Commission, the Council, the Member States and all other relevant stakeholders to start delivering on these actions in 2025. It calls on efforts to enable additional energy supplies to Europe to be intensified, notably to ensure security of supply for all Member States.

### *Savings and Investments Union*

- 25. Having regard to the challenges to the EU's competitiveness, it is of paramount importance to create truly integrated and deeper European capital markets, by achieving the Capital Markets Union as a matter of urgency and completing the Banking Union. A genuine Savings and Investments Union will help channel hundreds of billions of euro of additional investment to the European economy every year, helping to boost the EU's competitiveness, strategic autonomy and economic security.
- 26. In this context, 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 pending proposals from the 2020 Action Plan on the Capital Markets Union, including on insolvency;
  - b) to complement actions at EU level, stresses the need for national level actions in order to increase the size and depth of capital markets that are accessible to all citizens and businesses across the Union;

- c) with a view to expanding opportunities for citizens, calls:
- on the Commission and the Council to advance work towards greater retail participation in capital markets by making available European investment and savings possibilities, including enhanced possibilities for EU-wide savings and pension products, drawing on best practices, in time to allow decisive steps to be taken in 2025; and
  - on the Commission to swiftly propose, in 2025, improvements to the existing pan-European personal pension product;
- d) with a view to increasing private funding for businesses, calls on the Commission:
- to put forward proposals to improve the private equity and venture capital ecosystem and to propose an optional 28th company law regime allowing 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 targeted adjustments to the prudential framework, while maintaining financial stability;
- e) with regard to improving the convergence and efficiency of the supervision of capital markets across the EU and reducing fragmentation, calls on the Commission, working where relevant with national and European competent authorities:
- to ensure convergent supervisory practices. To that end, it is essential to foster homogenous implementation, interpretation, application and enforcement of EU law by national competent authorities;

- to urgently complete the assessment and the work on the conditions for enabling the European Supervisory Authorities to effectively supervise the most systemic relevant cross-border capital and financial market actors, and, on that basis, to put forward a proposal as soon as possible;
  - to swiftly remove barriers to market-led consolidation of market infrastructure and to cross-border investment; and
  - to streamline existing rules and eliminate duplication, clarify regulatory provisions and reduce the cost of compliance and reporting;
- f) underlines the importance of mobilising private financing for the European defence industry and invites the Commission to consider further leveraging EU programmes such as InvestEU to that end.

### *Single Market, industry and skills*

27. These competitiveness priorities will be supported by an ambitious new horizontal Single Market Strategy, to be presented in June 2025, which should aim at deepening the Single Market, by removing remaining barriers, in particular in the area of services and essential goods, addressing fragmentation, and improving the application and enforcement of Single Market rules.

28. The European Council also calls for the following specific work strands to be pursued without delay:
- a) building on the Clean Industrial Deal, the Automotive Action Plan 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, such as artificial intelligence, quantum technologies, semiconductors and critical technologies, while paying particular attention to traditional industries in transition, notably the automotive and energy-intensive industries, and the need to secure a level playing field. To this end, it calls on the Commission to put forward relevant targeted proposals without delay, including for additional flexibilities to the 2025 milestone under the regulation setting CO2 emissions performance for cars and vans and for the review of this regulation; and
  - b) following the Commission communication of 5 March 2025 on a Union of Skills, further efforts should be made to enhance the acquisition, recognition and retention of skills across the EU, from the building of basic skills to engaging in life-long learning, reskilling and upskilling, in line with the European Pillar of Social Rights and its Action Plan.

***Other actions and way forward***

29. 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 and social situation in the European Union.

30. The European Council stresses that, going forward, all the abovementioned competitiveness priorities and actions should work together, in a mutually reinforcing manner, to support research, innovation, investment, convergence and cohesion, connectivity, trade diversification and economic partnerships, growth and economic resilience in the European Union. The European Council remains seized of all these matters, and will assess progress on competitiveness and the green and digital transitions at its meeting in October 2025.

#### **IV. EUROPEAN DEFENCE**

31. Following up on its conclusions of 6 March 2025 and in the light of the White Paper on the Future of European Defence, the European Council calls for an acceleration of work on all strands to decisively ramp up Europe's defence readiness within the next five years. [It invites the Council and the co-legislators to swiftly take work forward on the recent Commission proposals]. The European Council calls for the implementation of the actions identified in its conclusions of 6 March 2025 in the field of capabilities to start as a matter of urgency and for continued work on financing options. This should be done without prejudice to the specific character of the security and defence policy of certain Member States.
32. The European Council invites the Commission and the High Representative to report regularly on progress made in the implementation of its conclusions on defence. It will revert to all strands of work on this issue at its next meeting.

#### **V. NEXT MULTIANNUAL FINANCIAL FRAMEWORK AND NEW OWN RESOURCES**

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

## **VI. MIGRATION**

34. 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 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, using all relevant EU policies, instruments and tools; the concepts of safe third countries and safe countries of origin; the fight against instrumentalisation, human trafficking and smuggling; visa policy alignment by neighbouring countries; as well as safe and legal pathways in line with national competences. The European Council recalls the EU's determination to strengthen security at its external borders and ensure their effective control, in line with EU and international law.
35. The European Council calls on the co-legislators to make progress, as a matter of priority, on files with a migration dimension. In particular, it invites the co-legislators to swiftly examine the recent Commission proposal on returns.

## **VII. OCEANS**

36. In the light of current global and geopolitical challenges, notably the triple planetary crisis of climate change, pollution and biodiversity loss, the European Council stresses the strategic importance of the oceans and the blue economy in strengthening the EU's competitiveness and resilience, maritime security, and environmental sustainability and protection.

37. The European Council calls on the Commission to put forward an ambitious, holistic and forward-looking European Ocean Pact that will foster healthy oceans, energy and maritime security, food security, sustainable fisheries and a sustainable and competitive EU blue economy, with special emphasis on coastal and island communities, and contribute to global science-based knowledge and responsible governance of the oceans.
38. In addition, the European Council took stock of preparations for the UN Ocean Conference, to be held in Nice from 9 to 13 June 2025, and called for increased global action and ambition, including accelerated ratification of the Agreement under the UN Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction (BBNJ Agreement) to advance ocean protection and governance at international level.

### **VIII. MULTILATERALISM**

39. The European Union has always upheld and will continue to uphold the UN Charter and the rules and principles it enshrines, in particular those of sovereignty and territorial integrity, political independence and self-determination. The European Council reaffirms the Union's steadfast commitment to effective multilateralism and to the rules-based international order with the United Nations at its core.
40. The European Union will remain a predictable, reliable, and credible partner and welcomes the opportunity to work together in a changing environment with all its partners, as well as with the United Nations and its agencies in driving forward the internal reform process to ensure that the UN remains effective, cost-efficient and responsive.
41. The European Union 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.

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