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NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council
Subject: European Council meeting (19 and 20 March 2026)
– 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.

Following the devastating extreme weather events in Portugal, the European Council expresses its deepest condolences and stands in solidarity with the people of Portugal.

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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. [The European Council held an exchange of views with Volodymyr Zelenskyy, President of Ukraine.]
2. As we enter the fifth year of Russia's war of aggression against Ukraine, the European Council reaffirms its continued firm and unwavering support for Ukraine's independence, sovereignty and territorial integrity within its internationally recognised borders. The European Union will continue to provide, in coordination with like-minded partners and allies, comprehensive political, financial, economic, humanitarian, military and diplomatic support to Ukraine and its people.
3. The European Council commends the fortitude, determination and resilience of the Ukrainian people and their leadership in resisting Russian aggression and defending their land. Ukraine has managed to stand its ground and push back against Russia's enormous pressure, preventing Russia from achieving its military objectives. It is critical in that context to ensure that Ukraine has the budgetary and military means to continue to exercise its inherent right of self-defence and counter and deter Russia's aggression.

4. The future of Ukraine and its citizens lies within the European Union. The European Council welcomes the significant progress Ukraine has achieved so far under the most challenging circumstances and encourages the further reforms needed. Following the Commission's assessment, and taking good note that the technical work to open all clusters has advanced in the Council, the European Council invites the Council to open the clusters without delay, starting with the fundamentals cluster, in accordance with the enlargement methodology and in line with the merit-based approach.
5. The European Council underlines the Union's strong support for a comprehensive, just and lasting peace in Ukraine based on the principles of the UN Charter and international law and underpinned by robust and credible security guarantees for Ukraine. The European Council welcomes the ongoing diplomatic efforts to bring the war to an end and fully supports Ukraine in the negotiations. The European Council urges Russia to agree to a full, unconditional and immediate ceasefire and engage in meaningful negotiations towards a just and lasting peace. For peace to be just and lasting, respect for Ukraine's independence, sovereignty and territorial integrity is the cornerstone. Borders must not be changed by force, the aggressor cannot be rewarded and Ukraine's long-term security and ability to defend itself must be guaranteed.
6. The European Union and its Member States will continue to actively participate in peace efforts, in accordance with the European Union's aim to promote peace, as enshrined in the Treaties. The path to peace in Ukraine cannot be decided without Ukraine. The European Union will decide on matters of its competence or affecting its security.
7. The European Union and Member States are prepared to contribute to robust and credible security guarantees for Ukraine, notably through the Coalition of the Willing and in cooperation with the United States. This will include supporting Ukraine's ability to deter aggression and defend itself effectively, also in the long term. The contribution of the European Union and Member States will be based on their respective competences and capabilities and in line with international law.

8. The European Council strongly condemns Russia for systematically and deliberately targeting Ukraine's civilian and energy infrastructure, and specifically heating and power installations. It welcomes the energy support and humanitarian and civil protection assistance provided to Ukraine by the EU and its Member States as well as international partners. The European Council calls for further intensified EU efforts, coordinated with international partners' efforts, to support Ukraine in urgently repairing, rebuilding and strengthening the resilience of its energy system.
9. Following its December 2025 decision to provide Ukraine with a support loan of EUR 90 billion for 2026 and 2027, the European Council welcomes the adoption of the loan by the co-legislators and looks forward to the first disbursement to Ukraine by the beginning of April. In this context, it also calls for intensified outreach to third countries to help close the remaining gap of EUR 30 billion in Ukraine's finances.
10. The European Council underlines the importance of further sustained efforts to provide military support to Ukraine and urgently accelerate the production and delivery of priority equipment, in particular air defence systems, ammunition, drones and missiles, including to help Ukraine protect its energy and critical infrastructure. In this context, developing Ukraine's defence industry, including through EU-Ukraine defence industrial cooperation, remains crucial.
11. 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.

12. The European Union remains determined to further increase pressure on Russia and continue weakening Russia's war economy so that it stops its brutal war of aggression and engages in meaningful negotiations towards peace. [*p.m. 20th sanctions package; listings under the Russia human rights regime*]. The European Council reiterates the importance of further reducing Russia's energy revenues and took stock of efforts to curb Russia's shadow fleet operations. Undermining the Russian shadow fleet's business model requires a 'whole of route' approach. In this respect, the European Council calls for further efforts and coordinated action by Member States. It also stresses the importance of continued coordination with G7 and other like-minded partners on sanctions, of strengthening the enforcement of existing measures and closing loopholes, and of further reinforcing the anti-circumvention measures.
13. The European Council urges all countries to immediately cease any assistance to Russia in its war of aggression against Ukraine, whether direct or indirect, and notably through the provision of dual-use goods and components. In particular, it strongly condemns the deployment of the DPRK's military forces on the battlefield in Ukraine as well as the continued military support provided by Iran, Belarus and the DPRK, among others.
14. The European Council reiterates its urgent call on Russia and Belarus to immediately ensure the safe and unconditional return to Ukraine of all unlawfully deported and transferred Ukrainian children and other civilians. Other humanitarian relief efforts and confidence-building measures, notably the exchange of prisoners of war, must be part of the pathway to peace.

15. The European Council also reaffirms the EU's 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, the European Council calls for sustained efforts within the framework of the Council of Europe towards the operationalisation of the Special Tribunal for the Crime of Aggression against Ukraine and the establishment of the International Claims Commission for Ukraine.
16. The European Council will revert to this issue at its next meeting.

II. **MIDDLE EAST**

Iran

p.m.

Gaza/West Bank

17. The European Council took stock of the deteriorating situation in Gaza and the West Bank, including in East Jerusalem. It reaffirms the European Union's commitment to international law and a comprehensive, just and lasting peace based on the two-state solution in accordance with relevant UN Security Council Resolutions where two democratic states, Israel and Palestine, live side-by-side in peace within secure and recognised borders.
18. The European Council reiterated its call for the full implementation by all parties of the ceasefire and all other provisions of United Nations Security Council Resolution (UNSCR) 2803, in line with relevant UN Security Council Resolutions and international political and legal principles. In this context it calls for the permanent disarmament of Hamas and other non-state armed groups, the full withdrawal of Israeli forces and the deployment of the temporary International Stabilisation Force (ISF), as outlined in the Comprehensive Plan to End the Gaza Conflict.

19. The European Union stands ready to work on the implementation of the Comprehensive Plan to End the Gaza Conflict in accordance with UNSCR 2803. Regarding the European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah), the European Council calls on all parties to facilitate checks and increase the number of crossings. It also welcomes preparations to scale up the European Union Police Mission for the Palestinian Territories (EUPOL COPPS).
20. The European Council deplores the continuing catastrophic humanitarian situation in Gaza and calls on Israel to allow immediate, unimpeded access and sustained distribution of humanitarian assistance at scale into and throughout Gaza, including via the Cyprus Maritime Corridor to supplement land routes, and to enable the UN and its agencies, and humanitarian organisations, to work independently and impartially to save lives and reduce suffering. It calls on Israel to reverse its decision regarding the NGO registration law, to reopen Gaza border crossings and to fully comply with its obligations under international law, including international humanitarian law. The European Council recalls the need to ensure the protection of civilians at all times.
21. The European Union will engage with international and regional stakeholders to contribute to the reconstruction and redevelopment of Gaza, in line with international law. It will also continue to support the Palestinian Authority, including in its reform agenda, so that it can securely and effectively take back control of Gaza. The European Council calls on Israel to urgently release withheld clearance revenues and extend the correspondent banking services between Israeli and Palestinian banks, both being necessary to ensure the proper functioning of the Palestinian Authority and the delivery of essential services to the population.

22. The European Council strongly condemns Israel's unilateral actions aiming to expand its unlawful presence in the West Bank, including East Jerusalem, and urges the Government of Israel to reverse these decisions, to abide by its obligations under international law and to protect the Palestinian population of the occupied territories. The European Council reiterates its call for the preservation of and respect for the Status Quo of Jerusalem's holy sites.
23. The European Council strongly condemns continued and growing settler violence against Palestinian civilians and reiterates its call on the Council to take work forward on further restrictive measures against extremist settlers and entities and organisations that support them.

Lebanon

p.m.

III. COMPETITIVENESS AND SINGLE MARKET

One Europe, One Market

24. In the pursuit of a highly competitive social market economy in the current global context, it is more imperative than ever to boost Europe's competitiveness, resilience and strategic autonomy.
25. The European Council has therefore decided to launch a 'One Europe, One Market' agenda, to be implemented by the end of 2027 [*p.m.: joint roadmap of the European Parliament, the Council and the Commission of concrete initiatives across policy areas*]
26. The European Council will regularly review progress on all strands of this agenda, and will provide additional strategic guidance when needed.

Single Market

27. The European Council underlines that further deepening and integrating the Single Market, in all its four freedoms, and making it simpler for people and businesses, is a shared responsibility of all Member States and EU institutions. Companies of all sizes should be free to operate seamlessly across the Single Market, and to scale up to reach their full potential. A ‘One Market’ approach, with harmonised EU-wide rules that replace 27 sets of national rules, in itself brings simplification, as does the well-functioning application of the mutual recognition principle.
28. To this end, the European Council calls on the Member States and the EU institutions to prevent and remove national barriers to the four freedoms, notably those identified in the Commission’s Single Market Strategy of May 2025, with a view to achieving concrete and tangible progress by March 2027 at the latest.
29. In particular, the European Council calls for the following measures to be addressed as a high priority:
 - a) a 28th regime for company law, to help European companies, in particular innovative companies and start-ups, to operate and scale up across the Single Market, on a simple and digital-by-default basis. This optional regime for companies should be agreed by co-legislators, on the basis of a Commission proposal, by the end of 2026;
 - b) a simple, unified and voluntary eDeclaration system for the cross-border provision of business services, to reduce administrative burdens when temporarily posting workers to other Member States and ensure the rights of these workers, which should be agreed by co-legislators by June 2026;

- c) enhancing free movement of workers by improving mutual recognition of professional qualifications and strengthening the portability of qualifications and skills across national borders, including through digitalisation, on the basis of a Commission proposal to be presented by autumn 2026;
 - d) implementing the ‘once-only’ principle, including through a European Business Wallet aimed at digitalising business interactions and simplifying administrative procedures across the EU, to be agreed by the co-legislators before the end of 2026;
 - e) addressing fragmented product labelling and packaging requirements as well as modernising rules for placing products on the market by harnessing digitalisation, on the basis of a Commission proposal to be presented at the latest by the end of 2026.
30. The European Council calls on the Member States and the Commission to improve the conditions throughout the Union for businesses to achieve the scale needed to invest, innovate and compete at global level, in particular in relation to the telecommunications, financial services, defence, space and energy sectors. This includes the ongoing review of the merger guidelines.
31. The European Council calls on the Commission to ensure timely and robust enforcement of Single Market rules, thus preserving its integrity and a level playing field.

Simplification and reducing administrative burden

32. The European Council calls on the Commission, the co-legislators and the Member States to continue to ambitiously simplify rules and reduce administrative burdens at EU, national and regional level to ensure a regulatory environment that is both innovation- and SME-friendly, without undermining predictability, policy goals, high standards or the integrity of the Single Market.

33. In this context, the European Council:
- a) urgently calls on the co-legislators to keep up the momentum to simplify and reduce burdens from existing legislation, notably by agreeing, before the end of 2026, all pending omnibus packages;
 - b) calls on the Commission to put forward further omnibus and other simplification initiatives, including to further streamline permitting rules;
 - c) calls on the Commission to undertake an in-depth regulatory review of the EU acquis to eliminate outdated provisions, overlaps, inconsistencies and redundancies, which may include withdrawing legislative proposals;
 - d) calls on the Commission to:
 - i) ensure that new EU initiatives are in line with the ‘simplicity-by-design’ and better regulation principles, and reduce regulatory, administrative and compliance costs and burdens;
 - ii) favour regulations over directives;
 - iii) limit the use of delegated and implementing acts to technical elements;
 - e) calls on the European Parliament and the Council to avoid introducing additional administrative burdens in EU legal acts throughout the legislative procedure;
 - f) calls on Member States to avoid gold-plating and disproportionate national requirements when implementing EU rules.
34. The European Council welcomes the commitment by the President of the European Commission to report annually to the European Council on progress achieved in the field of simplification.

Affordable energy prices and Energy Union 2030

35. The recent spikes in the prices of imported fossil fuels demonstrate that the energy transition remains the most effective strategy for achieving Europe's strategic autonomy, strengthening resilience, permanently lowering energy prices, and delivering the clean, abundant and homegrown energy needed to power the economy of the future. Accelerating the deployment and integration of renewable and low carbon energy sources is essential to reduce dependence on volatile fossil fuel markets and enhance security of supply.
36. At the same time, targeted solutions are needed in the short term to ensure affordable energy, taking into account the specific situations of Member States, the particular exposure of certain industrial sectors to the risk of relocation, and the need to improve the conditions for energy-intensive innovative sectors, without undermining predictability.
37. To this end, the European Council:
 - a) calls on the Commission to examine all components of wholesale and retail electricity prices. It also calls on the Commission to urgently present proposals for concrete actions to lower electricity prices in the short term. Moreover, the European Council invites the Commission to present a review of the emissions trading system (ETS) at the latest by July 2026, to both reduce the volatility of the carbon price and mitigate its impact on electricity prices, while preserving the essential role of the ETS in the climate and energy transition through a market-based price signal for carbon emissions that drives investment and innovation;
 - b) calls on the co-legislators to agree, in 2026, an ambitious grids package to quickly build the necessary infrastructure and enhance interconnections, including by accelerating permitting procedures, thus contributing to an integrated and more robust energy market;

- c) calls on the Member States and the Commission to accelerate the implementation of the Energy Union 2030 agenda, to rapidly allow increased and affordable electrification.

Fostering Europe's industrial renewal, innovation and reducing dependencies

38. The European Council underlines that to drive growth in Europe it is critical to channel investment towards the technologies of tomorrow, accelerate innovation and improve the conditions for a sustainable and productive industrial base. This should be undertaken in a technologically neutral manner and take into account the needs of SMEs. Reducing strategic dependencies and strengthening Europe's geopolitical and commercial weight has become a precondition for resilience, growth and job creation.

39. To this end, the European Council calls on:

- a) the Commission to identify and map, at the latest by the end of 2026, dependencies in strategic sectors;
- b) the co-legislators, following the Commission proposal of 4 March 2026 for an Industrial Accelerator Act, to agree by the end of 2026 a framework to reinforce industrial capacity and decarbonisation, including through a targeted and proportionate 'European preference' in strategic sectors and technologies, as well as in public procurement;
- c) the Commission to take action to protect key sectors from unfair competition, and to proactively tackle economic coercion;
- d) the Commission and the Council to continue diversifying trade and investment ties, including to secure access to essential resources, supply chains, markets and technologies.

Mobilising investment

40. The European Council recalls that a fundamental precondition for sustainable growth is a true Savings and Investments Union with a fully integrated and efficient capital market that effectively channels savings into productive investments in the EU. This is key to providing European businesses, including in strategic sectors, with the equity capital they need to innovate and grow, and to create quality jobs in the EU.
41. To this end, the European Council calls:
- a) on the co-legislators to conclude, by the end of 2026, negotiations on the legislative proposals on securitisation, supplementary pensions and the market integration and supervision package;
 - b) on the co-legislators to conclude, by the end of 2026, negotiations on the legislative proposal on the digital euro;
 - c) on the Commission to propose targeted amendments to the prudential framework in order to enhance the capacity of the banking sector to finance the European economy. In this regard, it welcomes the intention of the Commission to present by autumn 2026 a report on the competitiveness of the banking sector;
 - d) on the Commission and the co-legislators to deepen the integration of the EU banking market, notably by progressing swiftly towards completing the Banking Union.

European Semester

42. Moreover, the European Council addressed priorities for the 2026 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.

IV. NEXT MULTIANNUAL FINANCIAL FRAMEWORK

43. The European Council held an exchange of views on the next Multiannual Financial Framework, including its contribution to EU competitiveness, and the financing needs for EU ambitions. It also took note of the ongoing work on governance.

V. EUROPEAN DEFENCE AND SECURITY

44. Given the further deteriorating geopolitical environment, and with Russia's war of aggression against Ukraine remaining an existential challenge for the European Union, the European Council reaffirms its determination to decisively ramp up Europe's defence readiness by 2030, reduce strategic dependencies and address critical capability gaps, with a 360° approach.
45. In this context, the European Council calls for an acceleration of efforts to swiftly achieve defence readiness. The European Council:
- a) stresses the importance of intensifying work on the priority capability areas identified at EU level. It welcomes the progress already achieved, with all capability coalitions in place and working, and notes that Member States are already working on joint development and procurement as regards drone and counter-drone systems. The European Council acknowledges the progress made in the implementation of initiatives aiming at protecting Europe's Eastern flank. It also stresses the importance of early-warning air defence and deep-precision strike capabilities, as well as space assets and services that serve security and defence purposes. The European Council calls on Member States to ensure that concrete projects can be launched in the next months, including by implementing the SAFE and European Defence Industry Programme (EDIP) instruments, in full coherence with NATO;

- b) calls for a step change in strengthening the European defence technological and industrial base so that it can supply equipment at the increased scale and accelerated pace needed, including the priority equipment in support of Ukraine;
 - c) reiterates in particular the importance of the proper functioning and further integration of the European defence market across the Union, including cross-border access to defence supply chains, especially for SMEs and mid-caps. This will also contribute to boosting European competitiveness. The European Council invites the co-legislators to finalise work as a matter of urgency on the Defence Readiness Omnibus;
 - d) calls on the European Defence Agency to finalise by June 2026 the work to strengthen its support for Member States in the fields of innovation, capability development and common procurement;
 - e) welcomes the continued efforts made by the European Investment Bank to strengthen the European defence industry, including by crowding in private investment;
 - f) recalls the importance of innovation in the field of defence and the need to draw lessons from Ukraine's experience;
 - g) recalling the importance of military mobility, it invites the co-legislators to take work forward on the relevant proposal.
46. The European Council underlines that the defence of all EU land, air and maritime borders contributes to the security of Europe as a whole. In this regard, it highlights the situation at the EU's eastern border, considering the threats posed by Russia and Belarus, as well as the risks faced by the Member States most directly affected by the situation in Iran and the Middle East.

47. In light of persistent hybrid campaigns against the European Union and its Member States, notably by Russia and Belarus, the European Council expects continued efforts to strengthen resilience, protect critical infrastructure, and prevent, deter and respond to hybrid attacks, with particular attention to drone and counter-drone security.
48. The European Council invites the Council to update the 2022 threat assessment on the basis of a comprehensive, 360° analysis of the threats and challenges at EU level to be prepared by the High Representative in close cooperation with and building on input from Member States.
49. The European Council recalls the importance of working together with like-minded partners, who share the EU's foreign and security policy goals.
50. The above is without prejudice to the specific character of the security and defence policy of certain Member States, and takes into account the security and defence interests of all Member States, in accordance with the Treaties.

VI. MIGRATION

51. The European Council took stock of progress in the implementation of its previous conclusions[, including in the light of the recent letter from the President of the Commission]. It calls for intensified work on all strands to continue as a matter of priority, including on the external dimension and comprehensive partnerships, in line with EU and international law.

VII. MULTILATERALISM

52. With multilateralism being challenged, the European Union is firmly committed to upholding the UN Charter and the rules and principles it enshrines, in particular those of sovereignty and territorial integrity, political independence and self-determination.

53. 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, as well as its support for the institutions upholding international law. The European Union will remain a predictable, reliable, and credible partner, and reiterates its commitment to working together with all its partners to promote multilateral solutions to common challenges.
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