



Council of the
European Union

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NOTE

From: General Secretariat of the Council
To: Council

Subject: European Council (19 and 20 March 2015)
- Draft conclusions

In accordance with Article 2(3)(a) of the Council's Rules of Procedure, 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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I. ENERGY UNION

1. The EU is committed to building an Energy Union with a forward-looking climate policy on the basis of the Commission's framework strategy, whose five dimensions are closely interrelated and mutually reinforcing (energy security, solidarity and trust; a fully integrated European energy market; energy efficiency contributing to moderation of demand; decarbonising the economy; and research, innovation and competitiveness). The EU institutions and the Member States will take work forward and the Council will report to the European Council before December. The European Council will continue to give guidance on all aspects of this file.
2. While emphasising the importance of all dimensions of the Energy Union, today, the European Council focused on some of the aspects and called for:
 - a) accelerating infrastructure projects for electricity and gas ¹ to ensure energy security and a well-functioning internal energy market;
 - b) fully implementing and rigorously enforcing existing energy legislation;
 - c) reinforcing the legislative framework for the security of supply for electricity and gas; energy security can also be increased by having recourse to indigenous resources as well as safe and sustainable low carbon technologies;
 - d) reinforcing transparency on the gas market by ensuring full compliance with EU law and energy security priorities of all agreements with external suppliers that may affect EU energy security, on the basis of the Commission's communication; confidentiality of commercially sensitive information will be safeguarded;
 - e) assessing options for voluntary demand aggregation mechanisms in full compliance with WTO and EU competition rules;

¹ The recent agreement by France, Portugal, Spain, the Commission and the EIB is a welcome step towards achieving the 10% electricity interconnections objective; the agreement by the Baltic States to proceed towards synchronous operation of Member States within the Continental European Network contributes also to the increase of energy security, as does the work of the Central East South Europe Gas Connectivity High Level Group. In this context, the setting up by the Commission of Regional High Level Groups to ensure regular monitoring of progress of projects is encouraged.

- f) developing a more effective, flexible market design which should go together with enhanced regional cooperation and help integrate renewables, while ensuring that public intervention is compatible with the internal market and that the right of Member States to decide on their own energy mix is respected;
- g) reviewing and developing legislation related to emissions reduction, energy-efficiency and renewables to underpin the agreed 2030 targets; developing a reliable and transparent governance system;
- h) developing an energy and climate-related technology and innovation strategy, including on the next generation of renewables;
- i) ensuring strong coordinated action through an active European diplomacy on energy, and on climate ahead of the COP 21 in Paris in line with the ambitious objective fixed by the October 2014 European Council as reflected in the contribution submitted recently by the EU and its Member States.

II. EUROPEAN SEMESTER / GROWTH AND JOBS

3. The European Council held an exchange of views on the economic situation in Europe and on the implementation of key structural reforms undertaken by Member States. It endorsed the three main pillars of the Annual Growth Survey (investment, structural reforms and fiscal responsibility) and invited Member States to reflect these priorities in their forthcoming National Reform Programmes and Stability or Convergence Programmes.
4. The general approach reached by the Council on the European Fund for Strategic Investments (EFSI) is an important step towards an agreement by the co-legislators on the legislative act by June, so that the EFSI can be fully deployed from mid-2015. Cooperation between the EIB Group and national promotional banks needs to be strengthened and the EFSI should complement and be additional to ongoing EU programmes and traditional EIB Group activities.
5. The European Council discussed the state of play in the negotiations with the US on TTIP. The EU and the US should make every effort to conclude negotiations on an ambitious, comprehensive and mutually beneficial agreement by the end of the year. Member States and the Commission should step up efforts to communicate the benefits of the agreement and to enhance dialogue with civil society.

III. EXTERNAL RELATIONS

Eastern Partnership Summit in Riga

6. The EU is fully committed to the Eastern Partnership. It will strengthen, in a differentiated way, relations with each of its six partners. Particular efforts should be devoted to advance cooperation in state building, mobility and people-to-people contacts, market opportunities and interconnections. The European Council looks forward to the earliest possible ratification by all Member States of the Association Agreements/Deep and Comprehensive Free Trade Areas (AAs/DCFTAs) with Georgia, Republic of Moldova and Ukraine.

Russia/Ukraine

7. The European Council called on all parties to swiftly and fully implement the Minsk agreements and honour their commitments, and underlined the Russian authorities' responsibility in this regard. The EU stands ready to support the process, notably as regards the OSCE's ability and capacity to monitor and verify the implementation of the Minsk agreements, and will continue efforts in the trilateral processes on energy and EU-Ukraine DCFTA implementation.
8. p.m. sanctions
9. The EU will continue to support Ukraine's reform process, together with other donors and in line with IMF conditionality. The European Council called for the third Macro-Financial Assistance package for Ukraine to be adopted as a matter of urgency. It acknowledged the Ukrainian government's reform efforts so far and called on it to further intensify its work.
10. The European Council stressed the need to challenge Russia's ongoing disinformation campaigns and invited the High Representative, in cooperation with Member States and EU institutions, to prepare by June an action plan on strategic communication in support of media freedom. The establishment of a communication team is a first step in this regard.

Libya

11. p.m.
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