



Council of the European Union
General Secretariat

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LIMITE

NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Videoconference of the Members of the European Council on 25 and 26 March 2021 - Draft statement

I. COVID-19

1. Accelerating the production, delivery and deployment of vaccines remains essential and urgent to overcome the crisis. Efforts to this end must be further intensified. We underline the importance of transparency as well as of the use of export authorisations. We reaffirm that companies must ensure predictability of their vaccine production and respect contractual delivery deadlines.
2. The epidemiological situation remains serious, also in the light of the challenges posed by variants. Restrictions, including as regards non-essential travel, must therefore be upheld for the time being, taking into account the specific situation of cross-border communities, while the unhindered flow of goods and services within the Single Market must continue to be ensured, including by making use of Green Lanes. Preparations should nevertheless start on a common approach to the gradual lifting of restrictions, to ensure that efforts are coordinated when the epidemiological situation allows for an easing of current measures. Legislative and technical work on COVID-19 interoperable and non-discriminatory digital certificates, based on the Commission proposal, should be taken forward as a matter of urgency.
3. The European Union will continue to strengthen its global response to the pandemic. Work on setting up a vaccine-sharing mechanism must be taken forward rapidly so as to complement and support COVAX's leading role in ensuring universal access to, and deployment of, vaccines.

II. SINGLE MARKET, INDUSTRIAL POLICY, DIGITAL AND THE ECONOMY

4. We underline the importance of a strong, resilient and fully functioning Single Market and of strictly implementing and enforcing Single Market rules. We stress the need to strengthen the competitiveness and resilience of the European Union's industry, including SMEs, to accelerate its green and digital transitions, including through appropriate vehicles to support multi-country projects, and to address strategic dependencies. In addition, the update of the industrial strategy for Europe should take into account lessons learned so far from the COVID-19 crisis and support the recovery effort.
5. We stress the importance of the digital transformation for European recovery, for its prosperity, security and competitiveness and for the well-being of our societies. In that context, we recall the European Council conclusions of 1-2 October 2020 and of 10-11 December 2020. Furthermore, we underline the need to enhance Europe's digital sovereignty in a self-determined and open manner by building on its strengths and reducing its weaknesses. The Commission's communication '2030 Digital Compass: the European way for the Digital Decade' is a step towards charting Europe's digital development for the next decade. We invite the Council to examine it swiftly with a view to the preparation of the envisaged Digital Policy Programme.
6. In addition, we:
 - a) invite the Commission to identify further systems of critical technologies and strategic sectors, in order to strengthen and refine the European policy approach towards them;
 - b) invite the Commission to widen the European Union's policy toolbox for digital transformation, both at the European Union and national level, and to use all available instruments from industrial, trade and competition policy, skills and education, research and innovation policy and long-term funding instruments to facilitate the digital transformation;

- c) call for better exploiting the potential of data and digital technologies for the benefit of society, the environment and the economy, while upholding relevant data protection, privacy and other fundamental rights and ensuring the retention of data necessary for law enforcement and judicial authorities to exercise their lawful powers to combat serious crime; we recognise the need to accelerate the creation of common data spaces, including ensuring the access to and interoperability of data; we look forward to the Commission's proposal for a regulatory framework for Artificial Intelligence, and the accompanying review of the coordinated plan, to accelerate the uptake of this technology while ensuring safety and full respect of fundamental rights; we invite the Commission to swiftly present the progress made and the remaining measures necessary to establish the sectoral data spaces announced in the European strategy for data of February 2020;
- d) invite the co-legislators to take work forward swiftly on the Digital Services Act, the Digital Markets Act and the Data Governance Act proposals with a view to improving the access to, and the sharing, pooling and re-use of data, and to strengthening the Single Market for digital services by creating a safer digital space and a level playing field to foster innovation and competitiveness;
- e) invite the Council to take work forward on the European Democracy Action Plan;
- f) call for international outreach efforts from the European Union and Member States to be strengthened both bilaterally and through relevant fora and organisations with a view to promoting EU digital standards and to developing global digital rules in close cooperation with like-minded partners;

g) stress the need to urgently address the tax challenges arising from the digitalisation of the economy to ensure that all operators pay their fair share of tax. We reiterate our strong preference for and commitment to a global solution on international digital taxation and will strive to reach a consensus-based solution by mid-2021 within the framework of the OECD. We confirm that the European Union will be ready to move forward if the prospect of a global solution is not forthcoming. We recall that, as a basis for an additional own resource, the Commission will put forward in the first semester of 2021 a proposal on a digital levy, with a view to its introduction at the latest by 1 January 2023.

7. With a view to the upcoming Porto Social Summit, we underline that a successful digital transition requires that no one is left behind. We need the necessary tools and infrastructure as well as skilling, upskilling and re-skilling while ensuring fair working conditions and high standards in the digital economy.
8. We endorse the policy priority areas of the Annual Sustainable Growth Strategy and invite Member States to reflect them in their national Recovery and Resilience Plans.

III. EASTERN MEDITERRANEAN

9. We held a discussion on the situation in the Eastern Mediterranean and on the European Union's relations with Turkey and welcome the Joint Communication on the 'State of play of EU-Turkey political, economic and trade relations' prepared by the High Representative and the Commission as requested by the European Council in December 2020.
10. We recall the European Union's strategic interest in a stable and secure environment in the Eastern Mediterranean and in the development of a cooperative and mutually beneficial relationship with Turkey. We welcome the recent de-escalation in the Eastern Mediterranean through the discontinuation of illegal drilling activities, the resumption of bilateral talks between Greece and Turkey and the forthcoming talks on the Cyprus problem under the auspices of the United Nations.

11. Provided that the current de-escalation is sustained and that Turkey engages constructively, and subject to the established conditionalities set out in previous European Council conclusions, in order to further strengthen the recent more positive dynamic, the European Union is ready to engage with Turkey in a phased, proportionate and reversible manner to enhance cooperation in a number of areas of common interest and take further decisions at the European Council meeting in June:
- a) on economic cooperation, we invite the Commission to intensify talks with Turkey to address current difficulties in the implementation of the Customs Union, ensuring its effective application to all Member States, and invite in parallel the Council to work on a mandate for the modernisation of the Customs Union. Such a mandate may be adopted by the Council subject to additional guidance by the European Council;
 - b) we are prepared to launch high level dialogues with Turkey on issues of mutual concern, such as public health, climate and counter-terrorism as well as regional issues;
 - c) we invite the Commission to explore how to strengthen cooperation with Turkey on people to people contacts and mobility.
12. We call on Turkey to abstain from renewed provocations or unilateral actions in breach of international law. Taking into account the Joint Communication, we reaffirm the determination of the European Union, in case of such action, to use the instruments and options at its disposal to defend its interests and those of its Member States as well as to uphold regional stability.
13. We appreciate Turkey's hosting of around 4 million Syrian refugees and agree that the assistance of the European Union for the refugees and host communities be continued. We invite the Commission to present a proposal to the Council for the continuation of financing for Syrian refugees in Turkey, as well as in Jordan, Lebanon and other parts of the region.

14. On migration management, within the framework of the broader EU strategy encompassing all migratory routes, cooperation with Turkey should be strengthened, notably in areas such as border protection, combatting illegal migration, as well as the return of irregular migrants and rejected asylum seekers to Turkey, in accordance with the EU-Turkey Statement, applied in a non-discriminatory manner.
15. We recall the previous European Council conclusions and remain fully committed to a comprehensive settlement of the Cyprus problem in accordance with the relevant UNSC resolutions (notably 550, 789, 1251). We look forward to the resumption of negotiations under the auspices of the United Nations in which the European Union will participate as an observer, and will play an active role in supporting the negotiations, including by appointing a representative to the UN Good Office Mission.
16. Rule of law and fundamental rights remain a key concern. The targeting of political parties and media and other recent decisions represent major setbacks for human rights and run counter to Turkey's obligations to respect democracy, the rule of law and women's rights. Dialogue on such issues remains an integral part of the EU-Turkey relationship.
17. Consistent with the shared interest of the EU and Turkey in peace and stability in their environment we expect Turkey and all actors to positively contribute to the solution of regional crises such as Libya, Syria, the Southern Caucasus and will remain vigilant on this matter.
18. We invite the High Representative to take work forward on the Multilateral Conference on the Eastern Mediterranean.
19. We will continue to closely monitor developments and seek a coordinated approach with partners. The European Council will revert to this matter at its meeting in June.

IV. RUSSIA

20. We were informed about the latest developments in the relations between the European Union and Russia. We will hold a strategic debate at the forthcoming European Council meeting.
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