



Council of the
European Union

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NOTE

From:	General Secretariat of the Council
To:	Council
Subject:	European Council meeting (12 December 2019) – 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.

I. CLIMATE CHANGE

1. In the light of the latest available science and of the need to step up global climate action, the European Council endorses the objective of achieving a climate-neutral EU by 2050, in line with the objectives of the Paris Agreement.
2. The transition to climate neutrality will bring significant opportunities, such as potential for economic growth, for new business models and markets, for new jobs and technological development. Forward-looking research, development and innovation policies will have a key role.
3. Achieving climate neutrality will however require overcoming serious challenges. The European Council recognises the need to put in place an enabling framework encompassing adequate instruments, incentives, support and investments to ensure a cost-effective, just, as well as socially balanced and fair transition, taking into account national circumstances in terms of starting points.
4. The transition will require significant public and private investments. In this context, the European Council welcomes and supports the announcement by the EIB that it intends to support EUR 1 trillion of investment in climate action and environmental sustainability in the period from 2021 to 2030. It underlines that the next MFF needs to significantly contribute to climate action. InvestEU has an important role in leveraging private investments for the transition. Tailored support for regions and sectors most affected by the transition will be made available from the forthcoming Just Transition Mechanism. The European Council welcomes the European Commission's announcement that its forthcoming proposals will aim at facilitating EUR 100 billion of investment through the Just Transition Mechanism and it will return to this issue in the framework of the Multiannual Financial Framework negotiations. Funding of transformation efforts must continue after 2030.

5. All relevant EU legislation and policies need to be consistent with, and contribute to, the fulfilment of the climate neutrality objective. The European Council invites the Commission to examine whether this requires an adjustment of the existing rules, including on state aid and public procurement. It also invites the Commission to report regularly on the environmental and socio-economic impact of the transition to climate neutrality.
6. The European Council acknowledges the need to ensure energy security and to respect the right of the Member States to decide on their energy mix and to choose the most appropriate technologies.
7. The climate neutrality objective needs to be achieved in a way that preserves the EU's competitiveness, including by developing effective measures to tackle carbon leakage in a WTO compatible way. In this context, the European Council takes note of the Commission's intention to propose a carbon border adjustment mechanism concerning carbon-intensive industrial sectors. Facilities in third countries need to adhere to the highest international environmental and safety standards.
8. The European Council invites the Commission to prepare a proposal for the EU's long-term strategy as early as possible in 2020 with a view to its adoption by the Council and its submission to the UNFCCC.
9. The European Council invites the Commission, after a thorough impact assessment, to put forward its proposal for an update of the EU's nationally determined contribution (NDC) for 2030 in good time before COP26.

10. International engagement will be crucial for the success in addressing climate change. The European Council calls on the Commission and the High Representative to pay particular attention to climate diplomacy.
11. The European Council will keep progress towards the EU's objective of climate neutrality by 2050 under review and give strategic guidance, as appropriate.

II. MULTIANNUAL FINANCIAL FRAMEWORK

12. Following the presentation of the Negotiating Box with figures by Finland's Presidency, the European Council discussed the main features of the new Multiannual Financial Framework.
13. The European Council calls on its President to take the negotiations forward with the aim of reaching a final agreement.

III. OTHER ITEMS

14. The European Council considered the idea of a Conference on the Future of Europe starting in 2020 and ending in 2022. It asks the incoming Council Presidency to work towards defining a Council position on the content, scope, composition and functioning of such a conference and to engage, on this basis, with the European Parliament and the Commission.
15. The European Council recalls that priority should be given to implementing the Strategic Agenda agreed in June, and to delivering concrete results for the benefit of our citizens. The Conference should contribute to the development of our policies in the medium and long term so that we can better tackle current and future challenges.

16. The Conference should build on the successful holding of citizens' dialogues over the past two years and foresee broad consultation of citizens in the course of the process. It needs to involve the Council, the European Parliament and the Commission, in full respect of the inter-institutional balance and their respective roles as defined in the Treaties. The European Council underlines the need for an inclusive process, with all Member States involved equally. There should be shared ownership by EU institutions and Member States, including their parliaments.
17. Considering the importance of the EU-Africa partnership, the European Council calls on the Commission and the High Representative to provide it with the necessary basis for a strategic discussion at the June European Council on relations with Africa and on the next EU-AU summit.
18. The European Council reiterates its full support for the global rules-based international order and notes with concern the paralysis of the WTO's mechanism for settling disputes. It supports the Commission's efforts to set up interim arrangements with third countries while actively pursuing a permanent solution. The European Council calls on the European Parliament and the Council to examine, as a matter of priority, the Commission's proposal to adapt, in line with WTO rules, the current EU legislation on the effective exercise of the EU's rights under international trade agreements to this new situation.
19. The European Council recalls and reconfirms its previous conclusions of 22 March, 20 June and 17/18 October concerning Turkey. The Turkey-Libya Memorandum of Understanding on the delimitation of maritime jurisdictions in the Mediterranean Sea infringes upon the sovereign rights of third States, does not comply with the Law of the Sea and cannot produce any legal consequences for third States. The European Council unequivocally reaffirms its solidarity with Greece and Cyprus regarding these actions by Turkey.