



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2024) 2493 final

- English translation of the French version which is authentic –

Brussels, 24 July 2024

TEXTE EN

MINUTES

of the 2493rd meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 22 May 2024

(morning)

PV(2024) 2493 final

- English translation of the French version which is authentic -

EN

TABLE OF CONTENTS

Attendance list	4-6
1. AGENDAS (OJ(2024) 2493/FINAL; SEC(2024) 2493/FINAL)	7
2. WEEKLY MEETING OF HEADS OF CABINET (RCC(2024) 2493).....	7
3. APPROVAL OF THE MINUTES	7
4. INTERINSTITUTIONAL RELATIONS (RCC(2024) 104)	7
5. COORDINATION OF EXTERNAL ACTION (RCC(2024) 21).....	8
6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	8
6.1. WRITTEN PROCEDURES APPROVED (SEC(2024) 130 ET SEQ.).....	8
6.2. EMPOWERMENT (SEC(2024) 131 ET SEQ.)	8
6.3. DELEGATION / SUBDELEGATION OF POWERS (SEC(2024) 132 ET SEQ.)	8
6.4. SIGNIFICANT WRITTEN PROCEDURES (SEC(2024) 133 AND /2)	9
7. STRATEGIC DIALOGUE ON THE FUTURE OF AGRICULTURE IN THE EUROPEAN UNION	9
8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – THE EUROPEAN HEALTH UNION: ACTING TOGETHER FOR PEOPLE’S HEALTH (COM(2024) 206 TO /4; RCC(2024) 103)	14
9. OTHER BUSINESS.....	20

9.1. <i>LATEST DEVELOPMENTS IN EXTERNAL RELATIONS</i>	20
9.2. <i>LATEST DEVELOPMENTS CONCERNING RELATIONS WITH THE UNITED KINGDOM</i>	21
9.3. <i>SPRING 2024 ECONOMIC FORECASTS</i>	23

Single sitting: Wednesday 22 May 2024 (morning)

The sitting opened at 09:09 with Ms von der LEYEN, President, in the chair.

Present:

Ms von der LEYEN	President	
Ms VESTAGER	Executive Vice-President	
Mr DOMBROVSKIS	Executive Vice-President	
Mr ŠEFČOVIČ	Executive Vice-President	
Mr BORRELL i FONTELLES	High Representative / Vice-President	
Ms JOUROVÁ	Vice-President	Items 1 to 9.2 (in part)
Ms ŠUICA	Vice-President	
Mr SCHINAS	Vice-President	Items 1 to 9.1 (in part)
Mr HAHN	Member	Items 1 to 9.2 (in part)
Mr GENTILONI	Member	
Mr WOJCIECHOWSKI	Member	
Mr BRETON	Member	
Ms FERREIRA	Member	
Ms KYRIAKIDES	Member	Items 1 to 9.1 (in part)
Ms JOHANSSON	Member	
Mr LENARČIČ	Member	Items 7 (in part) to 9.3
Ms VÁLEAN	Member	Items 1 to 8
Mr VÁRHELYI	Member	Items 1 to 7 (in part)
Ms URPILAINEN	Member	
Mr SINKEVIČIUS	Member	Items 1 to 8
Ms McGUINNESS	Member	
Ms IVANOVA	Member	Items 1 to 9.2 (in part)
Mr HOEKSTRA	Member	

Absent:

Mr SCHMIT	Member
Mr REYNDERS	Member
Ms DALLI	Member
Ms SIMSON	Member

The following sat in to represent absent Members of the Commission:

Mr KASEL	Head of Cabinet to Mr SCHMIT	Items 1 to 8
Ms SYSAITE	Policy Assistant in Mr SCHMIT's cabinet	Item 9.1
Mr VELLA	Head of Cabinet to Ms DALLI	
Mr ELING	Deputy Head of Cabinet to Mr LENARČIČ	Items 1 to 7
Ms TEEDUMÄE	Deputy Head of Cabinet to Mr VÁRHELYI	Items 7 (in part) to 9.3
Ms GLOWACKA	Member of Ms SIMSON's cabinet	Items 1 to 7 (in part)
Mr GRASSI	Head of Cabinet to Ms SIMSON	Items 7 (in part) to 9.1

The following also sat in:

Mr WHELAN	Acting Head of Cabinet to the PRESIDENT	
Mr CALLEJA CRESPO	Director-General, Legal Service	
Ms SPINANT	Director-General, DG Communication	
Mr MAMER	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	
Ms WERNER	Deputy Secretary General	Item 7
Ms PETKOVA	Director of Coordination and Administration in the PRESIDENT's cabinet	
Mr VAN KEMSEKE	Adviser in the PRESIDENT's cabinet	
Ms DALLAPASQUA	Policy Coordinator in the Secretariat-General	Item 7
Ms ROMANOWICZ	Policy Coordinator in the Secretariat-General	Item 7
Mr STROHSCHNEIDER	Chair of the Strategic Dialogue on the Future of EU Agriculture	Item 7
Ms BEYER	Policy Coordinator in IDEA	Item 7
Ms BUKA	Secretariat-General	

Secretary: Ms JUHANSONE, Secretary-General, assisted by
Ms ALLOUIS-LE LOSTEC, Head of Unit in the Secretariat-General.

1. AGENDAS

(OJ(2024) 2493/FINAL; SEC(2024) 2493/FINAL)

The Commission took note of that day's agenda and of the tentative agendas for forthcoming meetings.

2. WEEKLY MEETING OF HEADS OF CABINET

(RCC(2024) 2493)

The Commission considered the Secretary-General's report on the weekly meeting of Heads of Cabinet held on Tuesday 21 May 2024.

3. APPROVAL OF THE MINUTES

The Commission held over approval of the minutes of its 2489th, 2490th, 2491st and 2492nd meetings of 10, 17, 23 April and 15 May 2024 until a later meeting.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2024) 104)

The Commission took note of the outcome of the written exchange of the Interinstitutional Relations Group (GRI) for the week from 13 to 17 May 2024 (RCC(2024) 104).

The Commission approved the line proposed for the following point, for transmission to the European Parliament:

- **Commission replies to the non-legislative resolutions adopted by the European Parliament at its February II 2024 part-session**

Line set out in SP(2024) 386/2.

The Commission approved the line proposed for the following point, for transmission to the Committee of the Regions:

- **Follow-up to opinions of the Committee of the Regions – January-February 2024 plenary session**

Line set out in SR(2024) 11/2.

5. COORDINATION OF EXTERNAL ACTION (RCC(2024) 21)

The Commission took note of the operational conclusions in RCC(2024) 21 of the meeting of the Group for External Coordination (EXCO) held on Wednesday 15 May 2024.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED (SEC(2024) 130 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 20 May 2024.

6.2. EMPOWERMENT (SEC(2024) 131 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 20 May 2024.

6.3. DELEGATION / SUBDELEGATION OF POWERS
(SEC(2024) 132 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedures between 13 and 20 May 2024 archived in Decide.

6.4. SIGNIFICANT WRITTEN PROCEDURES
(SEC(2024) 133 AND /2)

The Commission took note of the significant written procedures for which the time limit expired between 21 and 24 May 2024, and of the finalisation written procedure.

7. STRATEGIC DIALOGUE ON THE FUTURE OF AGRICULTURE IN THE EUROPEAN UNION

The PRESIDENT introduced the item by briefly presenting Mr STROHSCHNEIDER, President of the Strategic Dialogue on the Future of Agriculture in the European Union, former Agriculture Advisor to the German Government and Professor of Medieval History.

She stated that this Strategic Dialogue, launched in January 2024, had been announced in her 2023 State of the Union address. The aim of this new forum was to build a consensus on food and agriculture among farmers, rural communities and all other actors in the EU agri-food chain, with the aim of achieving climate neutrality by 2050. She was pleased to note that Mr STROHSCHNEIDER had managed to bring together interested individuals and organisations in this Strategic Dialogue and to mobilise them on the objectives to be achieved.

She felt that this flexible, collaborative approach had created a real forum for discussion between the various individuals representing the wider agricultural world

and added that the Commission was now looking forward to the results of this collaboration.

The PRESIDENT referred to the prevailing polarisation on agricultural and environmental issues, which was exacerbated by continuous disinformation campaigns organised by Russia. She concluded by stressing once again the importance of this Strategic Dialogue on the future of European agriculture, both for farmers and for European society as a whole. The outcome of this Dialogue would feed into the negotiations on the future common agricultural policy to be conducted by the next Commission.

Mr STROHSCHNEIDER said that he was happy to be in the very room where the Strategic Dialogue had been launched in January 2024 under the leadership of the PRESIDENT. He informed the College of the progress of the discussions in this forum, where he said he considered himself to be a moderator rather than an expert.

He too noted the excessive polarisation of agricultural issues and stressed the need to strengthen dialogue in order to build a new social consensus on the whole food chain, from production to consumption. He said that the present dialogue was different from the usual participatory political process, as here the stakeholders talked to each other and then set a common path towards a shared goal.

He believed that the twenty-nine personalities present, from all sectors, were keen to create a common culture that would transcend daily disputes by working intensively on the concrete steps needed to achieve this goal. He noted that this method changed the nature of the conversations between the groups involved and created a new culture of dialogue which should make it possible to identify one or more solutions for the future. A common agreement, reached by all stakeholders, would facilitate the work of the next Commission, which could refer to it to establish the future foundations of the common agricultural policy.

Mr STROHSCHNEIDER pointed out that, apart from the agricultural sector, the European socio-economic context was undergoing considerable upheaval and that

this transformation of the ways in which goods and services were produced would affect the whole of our society. He added that in order to cope with these upheavals, a change in the agricultural world was essential. He considered that the systematic approach to policy dialogue would make it possible to identify new opportunities and overcome the clash of policies where each agricultural success was seen as an environmental defeat and vice versa. He stressed that the choice was not between extinction of agriculture or extinction of species, but that a new strategy had to show that agriculture could be profitable, sustainable and responsible.

He said that the group's recommendations would be addressed to the various political levels and to the actors themselves, who would have to make the changes needed. He added that the transition pathways would open up many opportunities in the long term, but that the solutions identified, however effective, could not fully satisfy all the actors involved.

Mr STROHSCHNEIDER concluded his presentation by pointing out that the Strategic Dialogue would end on 25 September, that three plenary meetings had already taken place, and that three other meetings would be held soon with the aim of reaching consensual solutions. Ahead of these plenary meetings, four thematic working groups and several sub-groups were preparing the work, and at the same time, over 150 interest groups were being consulted in a more targeted manner so they could contribute to the final outcome. Finally, he noted that the strategic dialogue model involved an intensive daily exchange in which the diversity of transition pathways was accompanied by a comprehensive and systemic approach. He welcomed the fact that the last plenary meeting, scheduled for June, would be held in the presence of the PRESIDENT.

In the course of the discussion that followed, the Commission raised the following main points:

- the acknowledgement of tensions surrounding agricultural and environmental issues in all Member States and the need to find solutions for the EU that were neither one-dimensional nor outdated, but pragmatic, sustainable and affordable.
- the importance of the approach taken in the context of the Strategic Dialogue, which was considered complex but promising;
- concerns about the possibilities of reaching compromise solutions acceptable to all;
- the need to preserve the EU's status as a major food power in the long term and the need for robust agriculture based on healthy nature;
- the recognition that the common agricultural policy, despite absorbing one third of the EU budget, provided farmers with insufficient income, and the need to work together with the Member States and relevant stakeholders on the preparation of the next Multiannual Financial Framework, which would require the implementation of structural reforms;
- the importance of issues relating to (i) European food sovereignty, in a context where the EU wanted to reduce its dependencies in many sectors; (ii) supply chains in an agricultural ecosystem made up mainly of small and medium-sized enterprises, which faced price pressures from large multinational distributors when they sought fair rewards for their efforts; (iii) reciprocity in agricultural matters in the EU's trade agreements as regards the standards to be respected by producers; and (iv) the need to reflect on the implementation of safeguard clauses in international agreements, and in particular a 'mirror clause' relating to agriculture;
- a reminder that, to be properly taken into account, the international dimension had to be based on an analysis of the cumulative impact on the European agri-food sector of the agreements signed by the EU, which should be positive, and

the assertion that this sector, which generated trade surpluses, would lose much more from closing itself off to the world;

- the need to comply with international commitments and the rules of the World Trade Organisation (WTO), in particular those of the ‘green box’, thanks to which European agricultural subsidies were accepted internationally;
- the potential impact on the European agricultural sector of a future accession of Ukraine to the EU;
- questions on how to ensure that European agriculture remained competitive and profitable in all EU Member States;
- the need for a broader reflection on the issue of administrative burdens on farmers, taking into account in particular the progress made in satellite imaging and artificial intelligence;
- the mention of the problems associated with soil depletion and degradation and the importance of also addressing issues relating to food waste and waste management;
- a reminder of the trend in the European agricultural model towards fewer small businesses and the upward trend in income per farm unit, at least until the Russian war of aggression against Ukraine and the ensuing destabilisation of the markets;
- the ongoing demographic trend in the EU’s rural areas, in particular the departure of younger people, which had a growing impact on the economies and societies of the Member States and their regions;
- the case for encouraging small farms by granting them derogations from the main rules of the Green Deal and avoiding the imposition of uniform solutions on a sector that differed significantly from one Member State to another or within individual Member States;

- the importance for the future of European agriculture of considering the introduction of redistributive payments to sustainable mixed farms (livestock and cereals), which had suffered disproportionately in recent years;
- the need to further reflect on access to capital for farmers, and in particular young farmers, who wished to establish themselves or modernise, and on a gradual shift from conditionality to financial incentives.

In response to the various interventions, Mr STROHSCHNEIDER emphasised that all the issues raised during the discussion had already been taken into account in the Strategic Dialogue. He added that the introduction of new technologies to resolve some of these issues had also been addressed.

While pointing out that the recommendations were still under preparation and that comprehensive answers could not yet be provided at this stage, he stressed the importance of the principle that nothing was agreed until everything was agreed, which encouraged trust and a good work dynamic within the forum.

Picking up on the points raised during the discussion, Mr STROHSCHNEIDER noted first of all that the public debate on agriculture reflected a broader societal discussion on modernisation and the balance between tradition and progress. It also highlighted the growing rural-urban divide and the complex and interconnected nature of the farming system. In order to make progress within the forum and reach the final compromises, it was necessary to address and reduce internal contradictions within each stakeholder group.

He added that the green transition in agriculture should be based on market mechanisms, moving from a grant-based system to a performance-based model that valued farmers' contributions to the common good. In this context, linking public funding to yields would reduce the need for further regulation.

As far as the common agricultural policy was concerned, Mr STROHSCHNEIDER recognised the need for a more convincing narrative to justify the substantial

proportion of the European public budget allocated to it. In that respect, he considered that merely focusing on food sovereignty was no longer sufficient and that additional justifications were needed that put the emphasis on actions aimed at developing sustainability.

Lastly, Mr STROHSCHNEIDER stressed that the associated costs generated by agriculture – such as environmental damage – were higher than the sector's share of the EU budget, which was a strong argument in favour of continued investment in sustainable agriculture.

The PRESIDENT concluded the discussion by welcoming the quality of the debate and stressing the importance of trust in paving the way for real compromises between all stakeholders.

The Commission took note of this information.

**8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – THE EUROPEAN HEALTH UNION – ACTING TOGETHER FOR PEOPLE'S HEALTH
(COM(2024) 206 TO /4; RCC(2024) 103)**

The PRESIDENT introduced the Communication on the European Health Union, welcoming the impressive progress made in an area that was traditionally not within the EU's remit. At the start of the COVID-19 pandemic, Member States had initially stressed that health did not fall within EU powers, before asking the Commission to intervene to find common solutions.

Mr SCHINAS pointed out that, like the Security Union Report, this Communication was an opportunity to review achievements and take stock of this Commission's health policy. He considered action on health to be one of the EU's greatest

achievements during this Commission's term of office, combining crisis management with the long-term development of a genuine Health Union. He referred to the period of uncertainty in June 2020, particularly as regards vaccine production, and the success of the advance purchase agreements with seven manufacturers, which had proved to be a winning strategy for the EU that saved thousands of lives.

Mr SCHINAS highlighted the implementation of the first EU action programme on the Health Union (EU4Health), with a considerable budget, as well as wide-ranging initiatives, including the creation of a European Health Data Space, reform of pharmaceutical legislation, the European Beating Cancer Plan, the creation of the Health Emergency Preparedness and Response Authority (HERA) and strengthening the mandates of the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA).

These crucial advances in the health field were all the more remarkable given the limited legal basis available to the EU in this area. Mr SCHINAS felt that a reform of the European Treaties in this field would have led to years of delay before any action was taken, and therefore welcomed the success of the Commission, which had been able to take advantage of all the powers at its disposal without amending the Treaties. He concluded by thanking the PRESIDENT for her continued support and Ms KYRIAKIDES for her outstanding work and tireless commitment to the health of all EU citizens.

Ms KYRIAKIDES thanked all Commission departments for their contribution to the considerable progress made on health during this term of office, highlighting the cross-cutting and collaborative nature of the work, which had involved the portfolios of most Members of the Commission.

She pointed out that the mission letter she had received from the PRESIDENT when the Commission had taken office had already set ambitious health objectives. It had addressed a large part of the current pillars of the Health Union, such as the

Beating Cancer Plan and the need to address shortages of medicines, based on the principles of equity, solidarity and a patient-centred approach.

Since then, the global pandemic had profoundly transformed the health sector. European vaccination and treatment strategies had demonstrated the EU's capacity to innovate in times of crisis. Ms KYRIAKIDES highlighted the significant role of the digital COVID certificate, which had facilitated free movement of citizens and served as a model at global level. The European Health Union was no longer a mere vision but a tangible reality, with practical results on the ground and separate strands, all of which were interconnected.

She emphasised in particular the importance of strengthening preparedness for cross-border health crises. In that regard, she referred to the Commission's initiatives to strengthen the mandates of the ECDC and EMA, as well as the creation of HERA, which had enabled the EU to anticipate and be better prepared for future threats. These efforts had already borne fruit, as proved by the management of the Mpox epidemic in summer 2022, when the Commission had been able to respond immediately to demand in Member States through joint emergency procurement of treatments and vaccines, while ensuring fair distribution among Member States.

Ms KYRIAKIDES welcomed the substantial funding of over EUR 4 billion for the Beating Cancer Plan and the cooperation with the US Cancer Moonshot initiative, boosting the global fight against cancer, especially in children. Three years after its adoption, the plan was improving prevention, early detection, treatment and care, while increasing the quality of life of cancer patients and survivors through many European initiatives. These included the European cancer screening programme, which also updated screening recommendations that were almost 20 years old.

She also referred to the creation of a European Cancer Inequalities Registry, which was updated annually and made it possible to identify trends and disparities in order to better target investment and intervention at European, national and regional level. She highlighted the first proposal for a Council Recommendation on vaccine-

preventable cancers to increase vaccination against human papillomaviruses (HPV) and hepatitis B. Lastly, she referred to the establishment of a European Network of Youth Cancer Survivors, which would improve communication and cooperation between patients, cancer survivors, healthcare professionals and social services by 2025.

Ms KYRIAKIDES explained that the aim of reforming European pharmaceutical legislation was to develop a patient-centred single market for medicines in order to improve availability, affordability and security of supply across the EU. She felt that innovation and accessibility were not incompatible, arguing that both objectives were achievable and that the reform contributed to them. The main aim of the reform was to strengthen the monitoring and management of shortages, at both national and European level, with a bigger role for the EMA and the Commission in terms of security of supply.

Pharmaceutical companies were now required to report in a timely manner on the risks of shortages and the withdrawal of medicines from the market, and to draw up prevention plans. A list of critical medicines for European health systems helped identify vulnerabilities in supply chains and improve resilience. Ms KYRIAKIDES also stressed the reduced time taken to approve medicines, in particular by making it easier to market generic and biosimilar medicines, as well as improving access to treatments for children and for patients with rare diseases. Information requirements for medicines had also been revised and environmental standards strengthened. Lastly, the reform increased patient representation in the medicines approval process, for example by involving patient representatives in EMA committees for the first time.

Ms KYRIAKIDES then referred to the creation of a European Health Data Space, which would enable people to make full use of the digital world's potential while retaining control over their health data, and would establish a secure framework for research and innovation. Using a mobile application, people would be able to consult their electronic health records, including electronic prescriptions, medical

images and lab results, throughout the EU. Optimal use of health data could generate savings of more than EUR 5.4 billion over the next decade.

Ms KYRIAKIDES also expressed her satisfaction that mental health was finally being given the attention it deserved. Mental health was as essential for general well-being as physical health. With a budget of over EUR 1.2 billion, the first comprehensive European Mental Health Strategy addressed the stigma of mental illness and the discrimination against those suffering from it, with a special focus on young people and the vulnerable.

Lastly, she pointed out the international dimension of the European approach to health, noting that major health threats knew no borders. It was essential to help third countries make their health systems more resilient. In that regard, she welcomed the EU Global Health Strategy, Team Europe initiatives, in particular under the Global Gateway Strategy, and the EU's involvement in discussions on a new international agreement for pandemics.

Ms KYRIAKIDES concluded by highlighting three priority areas for the future, namely (i) climate change and its impact on health, (ii) rare diseases, and (iii) non-communicable diseases, such as cardiovascular diseases. She called for sustained political commitment to health, as part of a multi-sectoral approach incorporating health issues into all policies to maximise synergies. She warned about future health threats, highlighting the importance of the One Health approach to fighting antimicrobial resistance.

In the course of the discussion that followed, the Commission raised the following main points:

- the outstanding work carried out in the health field during this term of office, involving every Commissioner and all EU policies;

- the diverse nature of the pharmaceutical industry, encompassing a variety of values and types of behaviour, underlining the importance of robust European action to standardise practices;
- the need to balance the costs and benefits of innovation, which was considered essential for developing new treatments;
- the potential of new technologies, such as artificial intelligence and biotechnologies, not only in the pharmaceutical sector, for example to treat rare diseases, but also in other areas such as agri-food and textiles;
- the resounding success in reducing the time taken to approve treatments, along the lines of the fast-track procedures put in place for vaccines during the COVID-19 pandemic.

The PRESIDENT wound up the discussion by thanking the Commissioners and departments concerned for the outstanding work carried out in the health field during this term of office. She congratulated Ms KYRIAKIDES and Mr SCHINAS, the real architects of the European Health Union, who had succeeded in making the most of the opportunities offered by the European Treaties to press ahead in an area directly affecting every European citizen.

She welcomed the attention paid to mental health, an issue of particular concern to young people that was often overlooked, partly because of a lack of understanding of mental disorders. In this regard, she called for greater awareness and stronger action commensurate with needs.

Lastly, the PRESIDENT welcomed the exceptional work accomplished by the EU in the global health field through a ‘Team Europe’ approach. She highlighted increased production capacity and greater resilience of health systems in partner countries outside the EU. She also welcomed the fact that the EU had been able to allocate substantial funding of EUR 65 billion to health, stressing that the total was

even higher if the budget allocated to health research under Horizon Europe was also taken into account.

Following these presentations, the Commission approved the Communication in COM(2024) 206/4 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions and, for information, to the national parliaments.

9. OTHER BUSINESS

9.1. LATEST DEVELOPMENTS IN EXTERNAL RELATIONS

Mr BORRELL briefed the College on recent developments in external relations.

Turning first to Russia's war of aggression against Ukraine and the situation on the front line, he stressed the need for increased military and financial support to help Ukraine counter Russian offensives. He noted Russia's recent military attacks on Kharkiv and the targeting of energy infrastructure, possibly to prepare for a summer offensive. He also said that the EU was planning to use frozen Russian assets soon to supply financial assistance to Ukraine.

Moving on to the situation in the Middle East, Mr BORRELL was concerned about the absence of a plan for relocating civilians who would be displaced in the event of an Israeli offensive in Rafah in the Gaza Strip. He would co-chair a meeting with Palestinian representatives in Norway on 26 May to discuss the situation in the Middle East.

All EU Member States were now sending financial support again to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). He referred in this connection to a letter he had drafted

jointly with Mr LENARČIČ on 20 May calling on the Member States to step up their humanitarian support for Palestinian refugees.

Mr BORRELL was also concerned about the complete withdrawal of troops from Mali and the Sahel region by the Member States concerned, while the US military withdrawal from the region was expected by July.

He then informed the College of a possible forthcoming visit to Georgia by the President of the European Council, Charles Michel, to address concerns about the political situation in the country and especially the new legislation on ‘foreign agents’.

Mr BORRELL concluded by noting that most of these issues would be discussed at the next meeting of Foreign Affairs Ministers on Monday 27 May, or at the meeting of Foreign Affairs and Defence Ministers on Tuesday 28 May, as well as at the Middle East Peace Conference in preparation for the next ‘Schuman Forum’.

The PRESIDENT concluded by pointing out that the EU had never suspended its financial support to UNRWA, but had carried out an assessment before continuing partial disbursements.

The Commission took note of this information.

9.2. LATEST DEVELOPMENTS CONCERNING RELATIONS WITH THE UNITED KINGDOM

Mr ŠEFČOVIČ briefed the College on recent developments in relations between the European Union and the United Kingdom. He noted that, on 16 May 2024, UK Foreign Minister David Cameron had visited Brussels for meetings of the EU-UK Joint Committee, under the Withdrawal Agreement, and the Partnership Council, under the Trade and Cooperation Agreement, and for discussions on negotiations for an agreement in respect of Gibraltar.

Regarding the Withdrawal Agreement, Mr ŠEFČOVIČ said that the Joint Committee meeting had focused on two topics: citizens' rights and the implementation of the Windsor Framework. He stressed that citizens' rights remained a priority issue for the EU and that proper implementation of the agreement by both parties was important to ensure that all beneficiaries could fully exercise their rights.

As regards the implementation of the Windsor Framework, he reiterated the delicate balance between flexibilities and safeguards and explained that, during the meeting, he had insisted on those safeguards, which were of particular importance in the area of sanitary and phytosanitary measures. He informed the College that a joint statement had been issued, in which he and Mr Cameron acknowledged the need to continue intensive efforts in order to ensure the full implementation of all elements of the framework, fairly and without delay.

As regards the Trade and Cooperation Agreement and the Partnership Council meeting, Mr ŠEFČOVIČ cited the three messages he had conveyed to Mr Cameron: (1) the importance of a positive and constructive meeting in order to make full use of the Agreement's potential, (2) the extension of cooperation between the EU and the United Kingdom into all policy areas, from trade to security via fisheries and road transport, and (3) issues of concern, including fisheries, compliance with the European Convention on Human Rights and its court system, divergent carbon prices in the United Kingdom and the EU and the mobility challenges faced by EU researchers.

Mr ŠEFČOVIČ noted that the Member State representatives in the Council were very satisfied with the constructive and clear way in which the Commission had conducted the dialogue with the United Kingdom at the meetings of the Joint Committee and the Partnership Council. He stressed the need for the Commission to manage relations with the United Kingdom on the

basis of the fundamental principles established by the European Council. Those principles had successfully guided previous negotiations and remained entirely valid with a view to deepening and developing EU-UK relations in the future.

Mr ŠEFČOVIČ concluded by referring to the meeting on Gibraltar that he had organised at the end of the Joint Committee and the Partnership Council with Spanish Foreign Minister José Manuel Albares, UK Foreign Minister David Cameron and Chief Minister of Gibraltar Fabian Picardo. The aim of that meeting was to follow up on the meeting of 12 April and bridge the gap that existed on the most difficult issues. He informed the College that the discussions had taken place in a constructive atmosphere, with some significant progress made and new areas of agreement opened up. All the parties had undertaken to work closely and rapidly on the outstanding areas in order to conclude a comprehensive agreement between the EU and the United Kingdom, which would benefit the whole region.

The Commission took note of this information.

9.3. *SPRING 2024 ECONOMIC FORECASTS*

Mr GENTILONI briefly presented the spring 2024 economic forecasts, which indicated that the European economy would grow gradually, although this trend was still to be confirmed. After a difficult 2023, marked by stagnation and recession in several Member States, economic performance in the first quarter of 2024 had been better than expected. On that basis, the increase in the EU's gross domestic product (GDP) was expected to reach 1% in 2024 and 1.6% in 2025.

He explained that this economic rebound was due to the resumption of private consumption, the partial recovery of pre-pandemic purchasing power and the favourable labour market situation. In the first quarter of 2024, the employment growth rate was 0.2%, thereby maintaining an upward trajectory.

Mr GENTILONI noted that the employment rate was increasing not only for European workers but also for workers from third countries. These positive trends were compounded by the continued fall in inflation, which, according to the Commission's estimates, was expected to reach the European Central Bank target of 2% by the second half of next year.

He pointed out that, at the same time, growth in the overall investment rate seemed to be falling, which was a consequence of the tightening of monetary policy and current geopolitical uncertainty. However, unlike the situation following the financial crisis, levels of public investment had continued to increase in recent years, thanks in particular to EU instruments such as NextGenerationEU.

As regards the budgetary situation, the government deficit had increased last year to 3.5% of EU GDP. It was expected to fall again in 2024 to 3%. The debt ratio was stable or rising slightly, and could reach around 84% of GDP in 2025. The Commission would discuss those developments in detail next month when discussing the excessive deficit procedures.

In conclusion, Mr GENTILONI pointed out that the forecasts were affected by geopolitical developments. In this context, he mentioned the slight rise in oil prices in futures contracts and ongoing tensions in the Red Sea, factors which had had a limited impact on inflation for the time being. He also stressed the impact of Russia's war of aggression against Ukraine on the decisions of investors and consumers. That impact was particularly clear when comparing economic developments in the EU to those in the US, since the US was less affected by the war and also had access to a far more integrated capital market.

In the course of the brief discussion that followed, the Commission raised the following main points:

- regret at the insufficient progress made in the Economic and Financial Affairs Council on the Commission's proposals concerning integration of capital markets, which had an impact on investment growth in the EU;
- the suggestion that the Commission follow a two-step approach to remedy this situation in order to (i) identify the lowest common denominator among its proposals, so as to achieve at least some progress on the capital markets union for all 27 Member States, and (ii) for the remainder of the proposals, use the enhanced cooperation mechanism with a coalition of Member States that would ultimately also encourage others to participate.

The PRESIDENT wound up the debate by pointing out that the leaders of the Member States, meeting within the European Council, had given a strong boost to the completion of the capital markets union, because it would generate around EUR 400 billion annually in additional investment for the European economy.

The Commission took note of this information.

*

* *

The meeting closed at 11.47.