



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2025) 2519 final

- English translation of the French version which is authentic -

Brussels, 16 April 025

TEXTE EN

MINUTES

of the 2519th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 19 March 2025

(morning)

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PV(2025) 2519 final

- English translation of the French version which is authentic -

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Single sitting: Wednesday 19 March 2025 (morning)

The sitting opened at 09:06 with Ms von der LEYEN, President, in the chair.

Present:

Ms von der LEYEN	President	
Ms RIBERA	Executive Vice-President	
Ms VIRKKUNEN	Executive Vice-President	
Mr SÉJOURNÉ	Executive Vice-President	
Ms KALLAS	High Representative / Vice-President	
Ms MÎNZATU	Executive Vice-President	
Mr FITTO	Executive Vice-President	
Mr ŠEFČOVIČ	Member	
Mr DOMBROVSKIS	Member	Items 1 to 11 (in part)
Ms ŠUICA	Member	
Mr VÁRHELYI	Member	Items 1 to 8-10 (in part)
Mr HOEKSTRA	Member	Items 1 to 12 (in part)
Mr KUBILIUS	Member	
Ms KOS	Member	
Mr KADIS	Member	
Ms ALBUQUERQUE	Member	
Ms LAHBIB	Member	
Mr BRUNNER	Member	Items 1 to 12 (in part)
Ms ROSWALL	Member	
Mr SERAFIN	Member	
Mr JØRGENSEN	Member	
Ms ZAHARIEVA	Member	
Mr McGRATH	Member	
Mr TZITZIKOSTAS	Member	Items 1 to 12 (in part)
Mr HANSEN	Member	
Mr MICALLEF	Member	

Absent:

Mr SÍKELA

Member

The following also sat in:

Mr SEIBERT Head of Cabinet to the PRESIDENT

Mr CALLEJA CRESPO Director-General, Legal Service

Ms SPINANT Director-General, DG Communication

Ms PINHO Head of the Spokesperson's Service and Chief
Spokesperson of the Commission

Mr ADAM Deputy Head of Cabinet to the PRESIDENT

Ms PETKOVA Director of Coordination and Administration in
the PRESIDENT's cabinet

Ms MICELI A member of the PRESIDENT's cabinet

Items 10 to 12

Mr TAQUET-GRAZIANI Acting Head of Unit in the Secretariat-General

Ms BUKA Secretariat-General

Secretary: Ms JUHANSONE, Secretary-General, assisted by Ms DEPREZ, Director in the Secretariat-General.

1. AGENDAS

(OJ(2025) 2519/FINAL; SEC(2025) 2519/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(2025) 2519)

The Commission considered the Secretary-General's report on the weekly meeting of Heads of Cabinet held on Tuesday 18 March 2025.

3. APPROVAL OF THE MINUTES

(PV(2025) 2514, PART II; PV(2025) 2515; PV(2025) 2516)

The Commission approved the minutes of its 2514th, 2515th and 2516th meetings of 11, 19 and 26 February 2025, and held over approval of the minutes of its 2517th and 2518th meetings of 5 and 11 March 2025 for a later date.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2025) 164)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (GRI) held by videoconference on Friday 14 March 2025 (RCC(2025) 164).

The Commission approved the lines proposed for the following points:

- **Joint Conclusions on policy objectives and priorities for 2025-2029 and Joint Declaration on legislative priorities for 2025**

Line set out in SP(2025) 11/2.

- **Safety of toys and repeal of Directive 2009/48/EC (Regulation) – WALSMANN report – 2023/0290 (COD)**

Line set out in SI(2025) 47/2.

- **Provision of macro-financial assistance to the Hashemite Kingdom of Jordan (Decision) – IMART report – 2024/0086 (COD)**

Line set out in SPI(2025) 12.

- **Modification of customs duties applicable to imports of certain goods originating in or exported directly or indirectly from the Russian Federation and the Republic of Belarus (Regulation) – VAIDERE report – 2025/0021 (COD)**

Line set out in SI(2025) 54/3.

- **Assessment of the UK's readiness to apply the Convention of 2 July 2019 on the recognition and enforcement of foreign judgments in civil or commercial matters**

Line set out in SPI(2025) 7.

- **Interinstitutional Ethics Body – Nomination of the member and alternate member representing the Commission**

Line set out in SPI(2025) 9.

5. COORDINATION OF EXTERNAL ACTION (RCC(2025) 210)

The Commission took note of the operational conclusions in RCC(2025) 210 of the

meeting of the Group for External Coordination (EXCO) held on Wednesday 12 March 2025.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED

(SEC(2025) 79 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 10 and 16 March 2025.

6.2. EMPOWERMENT

(SEC(2025) 80 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 10 and 16 March 2025.

6.3. DELEGATION / SUBDELEGATION OF POWERS

(SEC(2025) 81 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedures between 10 and 16 March 2025 archived in Decide.

6.4. WRITTEN PROCEDURES SPECIFICALLY IDENTIFIED

(SEC(2025) 82 AND /2)

The Commission took note of the written procedures specifically identified for which the time limit expired between 17 and 21 March 2025.

7. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2025) 83 TO /4)

ADMINISTRATIVE MATTERS

(PERS(2025) 21 TO /4)

**7.1. DG AGRICULTURE AND RURAL DEVELOPMENT – APPOINTMENT
OF A DIRECTOR AT GRADE AD14/15**

(PERS(2025) 22 AND /2)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director of the ‘Legal, Procedural and Interinstitutional Affairs’ Directorate in DG Agriculture and Rural Development (PERS(2025) 22).

It took note of the opinions of the Consultative Committee on Appointments of 31 January and 6 February 2025 (PERS(2025) 22/2).

The Commission proceeded to compare the applicants’ qualifications for the post. On a proposal from Mr SERAFIN, in agreement with the PRESIDENT, and after consulting Mr HANSEN, it then decided to appoint Mr Olivier SITAR to the post.

This decision would take effect on a date to be determined.

**7.2. DG ENERGY – TRANSFER OF AN AD14 OFFICIAL UNDER
ARTICLE 7 OF THE STAFF REGULATIONS**

On a proposal from Mr SERAFIN, in agreement with the PRESIDENT, and after consulting Ms ZAHARIEVA and Mr JØRGENSEN, the Commission decided to transfer, in the interest of the service, under Article 7 of the Staff Regulations, Ms Rosalinde VAN DER VLIES – currently Director of the ‘Clean Planet’ Directorate in DG Research and Innovation – to the post of Director of the ‘Just Transition, Consumers, Energy Efficiency and

Innovation' Directorate in DG Energy.

This decision would take effect on 1 April 2025.

7.3. DG INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMEs – TRANSFER OF AN AD14 OFFICIAL UNDER ARTICLE 7 OF THE STAFF REGULATIONS

On a proposal from Mr SERAFIN, in agreement with the PRESIDENT, and after consulting Mr SÉJOURNÉ, the Commission decided to transfer, in the interest of the service, under Article 7 of the Staff Regulations, Ms Nathalie BERGER – currently Director of the 'Technical Support Instrument' Directorate in the 'Reform and Investment Task Force' – to the post of Director of the 'Ecosystems II: Textiles, Digital Transformation of Industry, and Social Economy' Directorate in DG Internal Market, Industry, Entrepreneurship and SMEs.

This decision would take effect on 1 April 2025.

**7.4. DG INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMEs – AMENDMENT OF THE ORGANISATION CHART AND AUTHORISATION OF THE INTERNAL PUBLICATION AT GRADE AD15/16 OF A DEPUTY DIRECTOR-GENERAL POST
(SEC(2025) 84; PERS(2025) 23)**

On a proposal from Mr SERAFIN, in agreement with the PRESIDENT, and after consulting Mr SÉJOURNÉ, the Commission decided to amend the organisation chart of DG Internal Market, Industry, Entrepreneurship and SMEs, and to approve:

- the creation of a post of Deputy Director-General responsible for European Industry and Decarbonisation, reporting to the Director-General of DG Internal Market, Industry, Entrepreneurship and SMEs;

- the internal publication, at grade AD15/16, with immediate effect, of the vacancy notice in PERS(2025) 23 for the post of Deputy Director-General responsible for European Industry and Decarbonisation in DG Internal Market, Industry, Entrepreneurship and SMEs, in accordance with Article 29(1)(a)(i) and (iii) of the Staff Regulations;
- the modification of the reporting lines for the Deputy Directors-General;
- the suppression of the adviser *hors classe* post of ‘EU SME Envoy’;
- the new organisation chart of DG Internal Market, Industry, Entrepreneurship and SMEs as set out in SEC(2025) 84.

Following the reorganisation, the total number of units in DG Internal Market, Industry, Entrepreneurship and SMEs would remain the same.

Unless otherwise indicated, these decisions would take effect on 1 May 2025.

7.5. INTERNAL AUDIT SERVICE – APPOINTMENT OF THE INTERNAL MEMBERS OF THE AUDIT PROGRESS COMMITTEE

In agreement with the PRESIDENT, the Commission decided to:

- confirm the appointment of Mr SERAFIN as Chair of the Audit Progress Committee;
- appoint Mr DOMBROVSKIS, Ms KOS and Ms ALBUQUERQUE as members of the Audit Progress Committee for the entire duration of the term of office;
- appoint Ms MÎNZATU and Mr HOEKSTRA as members of the Audit Progress Committee for the first half of the term of office, until 31 July 2027.

These decisions would take effect immediately.

**7.6. SECRETARIAT-GENERAL – EUROPEAN COMMISSION DECISIONS
ON POST TERM-OF-OFFICE ACTIVITIES OF FORMER MEMBERS
OF THE COMMISSION**

(C(2025) 9007; C(2025) 9008)

The Commission decided that the professional activities envisaged by Ms Věra Jourová and Ms Ylva Johansson after leaving office as Members of the Commission were compatible with Article 245(2) of the Treaty on the Functioning of the European Union and with the Code of Conduct for Commissioners, subject to certain conditions and obligations.

The Commission adopted the Decisions set out in C(2025) 9007 and C(2025) 9008.

8. JOINT WHITE PAPER FOR EUROPEAN DEFENCE READINESS 2030

(JOIN(2025) 120 TO /3; RCC(2025) 23)

**9. PROPOSAL FOR A COUNCIL REGULATION ESTABLISHING THE
SECURITY ACTION FOR EUROPE (SAFE) THROUGH THE
REINFORCEMENT OF EUROPEAN DEFENCE INDUSTRY INSTRUMENT**

(COM(2025) 122 TO /3)

**10. COMMUNICATION FROM THE COMMISSION – ACCOMMODATING
INCREASED DEFENCE EXPENDITURE WITHIN THE STABILITY AND
GROWTH PACT**

(C(2025) 2000 TO /3)

The PRESIDENT underlined the strategic importance of the European defence plan presented that day and thanked all those who had contributed to its preparation. She pointed out that, at the end of the Cold War, the countries of Europe had decided that it was time to reap the peace dividends and therefore reduce defence spending. However, other global players had taken the opposite approach and had increased

their military spending over the previous 20 years, increasing the threat against the EU.

She considered that the current geopolitical situation raised very serious questions about Europe's defence architecture, requiring the EU to commit fully to building a new international order. With this in mind, she called for the EU's defence capabilities to be strengthened and for a more proactive approach to collective security. To this end, the Readiness 2030 roadmap provided for substantial increases in defence spending to create a credible and effective European deterrent.

The PRESIDENT noted that the European Defence Readiness 2030 plan provided for over EUR 800 billion of expenditure, which could be secured by: (1) making use of the Security Action for Europe (SAFE) instrument, which could raise up to EUR 150 billion in EU-backed loans for Member States; (2) using public finance to boost defence spending at national level, by allowing Member States to activate the Stability and Growth Pact's national escape clause, which would give them additional fiscal space within EU budgetary rules; and (3) mobilising the European Investment Bank (EIB) and private capital by accelerating the Savings and Investments Union.

She added that the White Paper put forward specific solutions to fill critical gaps and build a solid industrial base in Europe. These challenges could only be addressed if the Member States joined forces through greater cooperation. She also emphasised the importance of supporting Ukraine and referred to the 'steel porcupine strategy', which was aimed at strengthening the EU's security and that of its partners. In this regard, she highlighted the inspiration provided by the Ukrainian defence industry, which was both agile and innovative and which could serve as a model for developing EU industrial capabilities.

In conclusion, the PRESIDENT emphasised the need to invest in EU defence capabilities, in order to strengthen the EU's industrial and technological base and

create a European defence equipment market while at the same time boosting innovation.

Ms KALLAS stressed the relevance of the proposed package of measures given the current international context. Preparation was not only a means of protection; it also served as a fundamental deterrent, aimed at preventing all forms of escalation.

She explained that there were several strands to the Joint White Paper for European Defence Readiness, with a particular emphasis on financing. It identified critical capability gaps and advocated developing major pan-European industrial projects, based on enhanced cooperation and economies of scale. In this respect, she underlined that defence was regional in nature and therefore required a collective response that went beyond solely national initiatives.

Ms KALLAS also reiterated the need to provide sustainable support to Ukraine, noting that a country in a strong position was better able to negotiate fair and just conditions. She recognised the extraordinary resilience shown by the Ukrainian defence industry, which provided many valuable lessons for the EU. She singled out the key role played by interoperability and common standards, which were essential for ensuring effective cooperation between Ukrainian and EU defence players.

She then discussed the importance of international partnerships in the face of global threats, noting that NATO remained the cornerstone of European collective defence. She underlined the need to avoid any duplication of effort or the creation of parallel structures, while stressing that it was imperative for the EU to develop the capabilities needed to defend itself and to contribute to NATO's credibility. In this connection, Ms KALLAS referred to the development of the security and defence partnership with India as a positive example of enhancing cooperation with countries sharing the same values outside the NATO framework. She concluded by reiterating the vital importance of a unified European defence posture that could meet the constantly evolving common security challenges.

Ms VIRKKUNEN noted the gravity and urgency of the current situation and welcomed the clarity and balance of the White Paper, especially on Ukraine. She explained that the first part of the White Paper focused on security strategy, with a particular emphasis on the EU's readiness and on internal security in the face of hybrid threats. Although defence policy was a competence of the Member States, the EU could play an important support role by mobilising funding, supporting joint projects and fostering cooperation against a backdrop of significant fragmentation.

She highlighted the development of the infrastructure needed for military mobility and the importance of investing in research and development to boost the competitiveness of the EU's single market. In this respect, she referred to the example provided by the Ukrainian defence industry, which had proven itself to be agile and innovative while at the same time demonstrating the importance of maintaining and developing its traditional defence capabilities. She announced the forthcoming launch of a dialogue on the defence industry, with a view to ensuring its future competitiveness. This dialogue would be supported by a technological roadmap to sustain a high level of research and innovation.

Ms VIRKKUNEN confirmed that the SAFE instrument, which would provide up to EUR 150 billion in loans, was a key tool for addressing current gaps and meeting defence targets. This instrument would have to be attractive and flexible enough to encourage Member States to launch joint projects.

Member States also had to step up their investments in the EU, while remaining open to cooperation with their close partners, in particular through long-term contracts aimed at increasing their defence capabilities. In this connection, she mentioned the activation of the Stability and Growth Pact's national escape clause, which provided the fiscal space needed to increase investment without the risk of triggering an excessive deficit procedure.

Ms VIRKKUNEN concluded by stressing the need to focus efforts on making the defence industries productive and innovative, both within the EU and in Ukraine.

Mr SÉJOURNÉ pointed out that the defence industry covered much more than just military capabilities; it included strategic sectors such as steel, the automotive industry, logistics and telecommunications. In this respect, he stressed the importance of connectivity and transport infrastructure, noting that certain industries currently experiencing difficulties because of insufficient order books could be better integrated into this collective endeavour. He therefore called for a concerted effort, which required collective awareness at EU level.

Given the urgent need to strengthen European defence, it was essential to distinguish between the different time frames for action. He confirmed that the White Paper sent an urgent strategic message both to the EU's allies and to its adversaries, testament to the EU's growing awareness of the current challenges. Similarly, there was an urgent need to provide strong support to Ukraine, especially during the negotiation stage, when the power balance played a major role. In his view, strengthening EU defence capabilities was a more long-term strategic imperative, in line with the EU's ambitions for collective security and cooperation.

In conclusion, Mr SÉJOURNÉ stated that the EU had everything it needed to position itself as a global leader in defence. He argued that buying European had to be made a definitive priority; it was a pre-requisite for building the industrial base of an independent defence capability. He called for a structured process to be launched to develop the EU's industrial capabilities.

Mr KUBILIUS welcomed the PRESIDENT's speech to the Royal Danish Military Academy in Copenhagen the previous day and her key message that Europe should prepare for war if it wanted to avoid it. The Readiness 2030 roadmap was the result of a collaborative process which had gathered substantial contributions from the majority of the Member States and made it possible to identify the actions to be taken to strengthen the EU's defence. This process was based on a series of seminars, conferences and consultations, bringing together ministers, parliamentarians, representatives of the defence and space industry, experts and professional organisations.

Mr KUBILIUS underlined the crucial importance of implementing this roadmap, stressing the need to increase investment, close capability gaps, bolster support for Ukraine and strengthen the EU's defence industrial base. He pointed out that the defence industry was a strategic resource in its own right, with specific characteristics that distinguished it from other industrial sectors. Consequently, a list of projects of common European interest would soon be submitted to the Member States.

In conclusion, Mr KUBILIUS expressed his conviction that the EU should not depend on allies or partners to guarantee its own security. He therefore called for collective responsibility in defence matters.

Mr DOMBROVSKIS stressed the need for greater flexibility to enable increased investment in defence capabilities and the defence industry. To that end, it was proposed to introduce more flexibility in the EU's fiscal rules by offering Member States the possibility to activate the national escape clause provided for in the Stability and Growth Pact as a temporary, coordinated and targeted measure to boost defence investment at national and EU level.

This flexibility would apply over a four-year period, allowing Member States to incur expenditure corresponding to a maximum increase of 1.5% of GDP per year of activation of the national escape clause compared to 2021 levels, i.e. before the start of the Russian war of aggression against Ukraine. Mr DOMBROVSKIS explained that the starting points varied from one Member State to another, with some having already significantly increased their investments in this area, while others had not yet done so. The aim of this measure was therefore to create an enabling framework for all to step up their efforts in a coordinated manner.

Mr DOMBROVSKIS specified that the Member States would have to limit their deviations solely to the increase in defence spending, taking as a starting point the statistical category 'defence' in the classification of general government functions (COFOG) to ensure maximum transparency on defence investments. He highlighted

the importance of close cooperation with the Member States to ensure a coordinated implementation of this approach, noting that if all Member States made use of this option proportionally, the cumulative effort would represent an estimated additional investment of EUR 650 billion over the period in question.

Finally, he stressed the need for a transition to structurally higher levels of expenditure, not only to meet replenishment needs over four years, but also to ensure a sustainable defence capability in the long term. This effort would have to be accompanied by a restructuring of national budgets, while respecting fiscal sustainability and taking into account the constraints inherited from the previous period, when debt levels had risen sharply.

In conclusion, Mr DOMBROVSKIS said that the Member States would be encouraged to make the necessary investments in the EU's defence capabilities and defence industry, spending more in a more coordinated manner. These investments would also boost economic growth, innovation and employment, while ensuring fiscal sustainability.

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

- overall support for the proposed roadmap and its objectives;
- the urgent need to strengthen European defence capabilities in the current geopolitical context, while taking into account the different threat perceptions among the Member States, which often depended on their geographical location;
- openness to cooperation on supply with like-minded countries, as well as the balance to be struck between supporting European companies and maintaining a certain flexibility for third-country partners;

- the need to ensure financial predictability for military mobility and dual-use infrastructure in both the current and the future Multiannual Financial Framework (MFF);
- the challenges of maritime security, particularly in the Mediterranean, and the continued commitment to comply with international law;
- the planned mid-term review of cohesion policy, which would also include measures related to the defence sector;
- concerns about the increase in the EU's level of indebtedness and the long-term sustainability of increased borrowing, as well as the financial implications of the lending possibilities offered under the SAFE instrument, in particular for already heavily indebted Member States;
- the importance of ensuring geographical diversification in the award of public contracts and in strategic value chains;
- a reminder that environmental, social and governance (ESG) criteria were not a barrier to investment in the defence sector, and the need to prevent greenwashing risks;
- the importance of careful and measured communication in order to preserve the EU's diplomatic relations with its partners;
- a proposal to broaden the definition of the eastern border to the Black Sea region, in view of the security concerns of the Member States concerned.

In response to some of the points raised during the discussion, Mr KUBILIUS began by referring to the different threat perceptions among the Member States. He pointed out in that regard that collective defence should not be viewed as the sole responsibility of the so-called frontline states. He stressed that the defence capabilities of the Member States were interdependent, and that underinvestment in this area by one or more Member States weakened the EU's collective security. He

also stressed the importance of demonstrating to citizens that investment in defence provided tangible economic benefits, particularly in terms of job creation. Large European companies were working to diversify their production sites across the EU, thus helping to make supply chains more resilient and expand the sector.

Mr KUBILIUS then turned to the issue of climate criteria applicable to the defence sector. Taking note of the feedback from the industry on the need for simplification, he reaffirmed the importance of sustainable investment, while stressing that defence production also presented unique challenges. He called for pragmatism with regard to environmental impact expectations, and supported the current balanced approach towards the taxonomy and the criteria associated with sustainable investments.

Lastly, as regards the loans offered through the SAFE instrument, Mr KUBILIUS stressed that they offered Member States valuable opportunities to strengthen their defence capabilities. He drew a parallel with the recovery mechanisms put in place during the pandemic and called for active dialogue with national authorities to encourage them to take advantage of the tools available. He stressed that investment in defence was also a matter of solidarity between Member States. He concluded by mentioning the ongoing discussions on the use of SAFE loans also to provide substantial assistance to Ukraine.

Ms KALLAS confirmed the need for an open and transparent dialogue with European citizens on the impact on taxpayers of increases in defence spending. She called for rigorous budgetary prioritisation, as well as a constant commitment to transparency in the communication of decisions taken.

As regards diplomatic relations with third countries, the roadmap expressed positions which the EU had brought to the attention of the governments concerned on a regular and consistent basis.

The PRESIDENT concluded the discussion by stressing the importance of prioritising European purchases where possible. She stressed the value of international partnerships, while expressing a preference for the development of

autonomous European capabilities in a context of strong interdependence. She stressed the crucial importance of building up the European defence industry, which was essential not only to strengthen the EU's strategic autonomy, but also to boost competitiveness.

She recognised the complexity of a situation characterised by high debt levels, but also saw an opportunity to foster sustainable growth based on productivity and innovation, which could ultimately contribute to debt reduction. Finally, she confirmed the need for appropriate communication in order to explain the choices made and to ensure a good understanding of the objectives and benefits of the proposed measures.

Following these presentations, the Commission:

- approved the White Paper in JOIN(2025) 120/3 for transmission to the European Parliament and the Council, and, for information, to the European Economic and Social Committee, the Committee of the Regions and the national parliaments.
- adopted the proposal for a Regulation in COM(2025) 122/3 for transmission to the Council, and, for information, to the European Parliament, the European Economic and Social Committee, the Committee of the Regions and the national parliaments;
- approved the Communication in C(2025) 2000/3 for transmission to the Council.

**11. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS: A EUROPEAN STEEL AND METALS ACTION PLAN
(COM(2025) 125 TO /3)**

Mr SÉJOURNÉ thanked all the Members of the College involved in the preparation of the action plan proposed that day for the steel and metals sectors. He believed that the collaborative approach used, including a strategic dialogue with stakeholders on the future of the steel sector, had been the most effective method for developing an integrated strategy that took all the aspects of the market into account.

He stressed the importance of taking swift action, as production capacity in the EU would otherwise be at risk of significant decline over the next decade due to a lack of competitiveness. Maintaining Europe's manufacturing base remained a priority in order to support the key stakeholders contributing to the competitiveness and sovereignty of the EU, particularly in the field of defence.

Mr SÉJOURNÉ pointed out that, with this action plan, the EU was pursuing a long-term strategy for the European steel and metals industry which took into account the dynamics of international markets, in particular unfair competition and global overcapacity. He explained that the support provided to this industry would help preserve European production sites, highlighting the importance of developing a viable industrial model. It was also crucial to protect the sector through trade defence measures against unfair competition. That was why the Commission was tightening the current steel safeguards.

He also considered it essential to boost demand in order to ensure sufficient margins for steelworks and to identify suitable opportunities, for example by making use of the low-carbon label for European steel. This approach also involved modifying competitiveness parameters, in particular with regard to energy costs. In the long term, it would be necessary to examine the issue of State aid, to invest more in hydrogen, and to foster research and development in order to move towards more decarbonised and efficient processes.

Mr SÉJOURNÉ concluded his presentation by stressing that the proposed action plan constituted a comprehensive strategy for an industry in transition, drawn up in

consultation with stakeholders. He said that the plan was accompanied by a training programme for workers, which he believed would be welcomed by the sector.

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

- the proven usefulness of an open and fruitful dialogue with the steel sector with a focus on operational aspects;
- the fact that the sector was currently benefiting from a high level of protection, in particular through trade defence measures and employment support schemes;
- the tensions caused by the overall increase in exports linked to global overcapacity, increased competition, and the tariffs imposed by the United States on steel imports;
- the need to better anticipate and manage overcapacity, including in reference to aluminium production, which was also being closely monitored;
- the future strengthening of the Carbon Border Adjustment Mechanism;
- the urgent need to begin assessing the introduction of the ‘melted and poured rule’ to determine the origin of metal products and prevent the circumvention of trade defence measures;
- the need, in the long term, to gain a better understanding of the various processing stages and to improve the traceability of finished products;
- the importance of targeted action regarding scrap, which was a key input for decarbonised steel, and ensuring sufficient availability of scrap by considering all possible options, from restrictive export measures to promoting a circular economy.

Following the discussion, Mr SÉJOURNÉ pointed out that some operators currently

had an economic interest in exporting metal scrap, and that, in the long run, a rebalancing of the market would be desirable.

The PRESIDENT concluded by confirming that metal scrap should, as far as possible, be recovered and recycled within the EU, which would represent a clear win for European industry.

Following the presentation, the Commission approved the Communication in COM(2025) 125/3 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.

12. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN CENTRAL BANK, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – SAVINGS AND INVESTMENTS UNION – A STRATEGY TO FOSTER CITIZENS’ WEALTH AND ECONOMIC COMPETITIVENESS IN THE EU (COM(2025) 124 TO /3; RCC(2025) 20)

The PRESIDENT introduced the strategy on the Savings and Investments Union by highlighting its importance for the European economy as a whole and especially for increasing the readiness of Europe’s defence industry.

Mr SÉJOURNÉ noted that the Savings and Investments Union was also one of the pillars of the single market strategy, which was due to be presented to the College in May.

Ms ALBUQUERQUE stressed that it was a broad and ambitious strategy that went beyond the Capital Markets Union by also encompassing the Banking Union and retail investors. If properly implemented, the strategy would help boost citizens’ wealth by enabling savers to invest in the EU’s priorities and offering them a higher

return on their savings. The Savings and Investments Union would also facilitate access to better and cheaper financing for many innovative European companies.

The EU still lacked a genuine single market for financial services, which were still largely provided along national lines. The Savings and Investments Union was thus designed as a horizontal enabler to remove obstacles to the flow of financial liquidity and channel it to where it was needed. It was a sector-neutral approach, based on the principle that markets naturally directed financial flows towards opportunities with the best return, giving rise to a virtuous cycle for both citizens and businesses. The defence sector was particularly well placed to benefit from this, as it was not subject to any regulatory restrictions on investment. However, political leaders had an important role to play in explaining to the public that investing in defence was legitimate and beneficial for the EU.

Ms ALBUQUERQUE noted that the main aim of the Communication presented that day was to send a clear message about the urgency and importance of building the Savings and Investments Union. Delivering it was a shared responsibility of EU institutions, Member States and all stakeholders, requiring concerted efforts and close collaboration under four strands of work.

The first concerned citizens and their savings. People should be given the opportunity, if they so wished, to invest more of their savings in EU capital market instruments offering better returns, including through cross-border investment. Ms ALBUQUERQUE stressed the importance of improving financial literacy, so that people were better informed to manage their personal finances. She said that the Commission would propose a specific initiative to that effect. The need to develop supplementary pension schemes would also be addressed. This was not only essential in the context of demographic change in the EU, but was also an effective way of channelling retail savings, including from pension funds, towards the single market.

The second strand was investment and financing. Ms ALBUQUERQUE explained in this regard that the Commission would look into ways of further promoting equity investment as opposed to debt financing, as companies with stronger core capital were generally better placed to access loans on more attractive terms. The Commission also intended to align public funding instruments with the aims of the Savings and Investments Union, encourage exit strategies for investors by incentivising companies to opt for listing, work towards more neutral taxation so as not to disadvantage equity investment and simplify certain aspects of the securitisation market.

The third strand concerned the integration and scale of the capital market with a view to reducing inefficiencies caused by fragmentation. In this context, Ms ALBUQUERQUE pointed out that the Commission had to create the conditions for the market to consolidate certain large-scale trading infrastructures, in order to reduce the unit cost of each transaction. The same applied to the asset management sector, where more cross-border mergers were needed for economies of scale.

Lastly, the fourth strand was effective supervision in the single market, a key part of preventing supervisory arbitrage and ensuring fair treatment of all market players in the EU. To that end, the Commission planned to propose a single supervisor for large cross-border trading infrastructures, the main asset management groups and emerging financial sectors, such as crypto-asset service providers.

Ms ALBUQUERQUE said that beyond these four work strands linked to savings and the capital market, the Commission also had to ensure that the European banking sector was integrated and competitive. More European banks had to get involved in cross-border mergers and other large-scale capital market operations, while economic risks had to be managed rigorously. With that in mind, she stressed the importance of completing the Banking Union, especially the European framework for bank crisis management and deposit insurance, so as to enable the banking sector to take more risks in a more secure environment.

She concluded her presentation of the strategy by pointing out that the Commission would carry out a mid-term review in 2027. The review would take into account all the lessons learned from visits to the Member States, during which the Commission would meet national authorities, social partners and research representatives, to present the strategy, explain its benefits and engage in a constructive dialogue on the challenges ahead.

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

- the key role of the Savings and Investments Union in removing obstacles to financing start-ups and SMEs operating in the single market, and in bridging the investment and innovation gap in the various sectors of the European economy;
- the specific difficulties faced by defence start-ups, which frequently reported limited access to financial services and investment as a result of the specific nature of their sector;
- the Commission’s intention in the near future to propose a strategy for start-ups and scale-ups, a European Innovation Act and a 28th legal regime to ensure that innovative start-ups had better access to finance and the opportunities offered by the single market;
- the importance for the EU of ensuring a level playing field between European and third-country banks, by adjusting the implementation of Basel III standards at EU level, if necessary;
- in that regard, the possibility of bringing forward the presentation of the report on the competitiveness of the European banking sector;
- recognition of the varying degrees of development in capital markets and supplementary pension schemes in Member States, and the case for tapping into experience at national level;

- the need for consensus among Member States in the Economic and Financial Affairs Council to make progress on the Savings and Investments Union and complete the single market for capital and financial services;
- the importance attached to improving financial literacy, including for vulnerable groups, so as to encourage retail savers to take part in the capital market and to strengthen EU preparedness and resilience.

Following these presentations, the Commission approved the Communication in COM(2025) 124/3 for transmission to the European Parliament, the European Council, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions, and, for information, to the national parliaments.

13. OTHER BUSINESS

LATEST DEVELOPMENTS IN EXTERNAL RELATIONS

Ms KALLAS went through recent developments in the EU's external relations, focusing on the situation in Ukraine and in Gaza. She also reported on the outcome of the 9th international conference in support of Syria, as well as her attendance at the UN Security Council on 17 March and her visit to the UK on 18 March.

In the brief discussion that followed, the Commission referred in particular to the 30th anniversary of the Beijing Declaration on gender equality, appreciation within the UN for the EU's values and the need to continue international humanitarian aid efforts.

The Commission took note of this information.

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The meeting closed at 12.33.