



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2025) 2528 final

- English translation of the French version which is authentic -

Strasbourg, 8 July 2025

TEXTE EN

MINUTES

of the 2528th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 4 June 2025

(morning)

PV(2025) 2528 final

- English translation of the French version which is authentic -

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Single sitting: Wednesday 4 June 2025 (morning)

The sitting opened at 9.07 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 DOMBROVSKIS	Member	
Ms ŠUICA	Member	Items 1 to 14 (in part)
Mr VÁRHELYI	Member	
Mr HOEKSTRA	Member	
Mr KUBILIUS	Member	
Ms KOS	Member	
Mr SÍKELA	Member	
Mr KADIS	Member	
Ms ALBUQUERQUE	Member	
Ms LAHBIB	Member	Items 1 to 18, 19 and 20 (in

part) and 21

Mr BRUNNER	Member
Ms ROSWALL	Member
Mr SERAFIN	Member
Mr JØRGENSEN	Member
Ms ZAHARIEVA	Member
Mr McGRATH	Member
Mr TZITZIKOSTAS	Member
Mr HANSEN	Member

Items 1 to 21
(in part)

Absent:

Mr ŠEFČOVIČ	Member
Mr MICALLEF	Member

The following also sat in:

Mr SEIBERT	Head of Cabinet to the PRESIDENT	
Mr CALLEJA CRESPO	Director-General, Legal Service	Items 1 to 19
Mr LADENBURGER	Deputy Director-General, Legal Service	Items 20 and 21
Ms SPINANT	Director-General, DG Communication	
Ms RISO	Director-General, DG Budget	Items 19 and 20
Ms PINHO	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	
Mr ADAM	Deputy Head of Cabinet to the PRESIDENT	Items 8 to 21
Ms PETKOVA	Director of Coordination and Administration in the PRESIDENT's cabinet	
Ms MICELI	Member of the PRESIDENT's cabinet	Items 15 to 19
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) 2528/FINAL; SEC(2025) 2528/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) 2528)

The Commission considered the Secretary-General's report on the weekly meeting of Heads of Cabinet held on Monday 2 June 2025.

3. APPROVAL OF THE MINUTES

The Commission held over approval of the minutes of its 2523rd, 2524th, 2525th, 2526th and 2527th meetings of 16 April, and 6, 14, 21 and 28 May 2025 for a later date.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2025) 177)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (GRI) held on Wednesday 28 May 2025 (RCC(2025) 177).

The Commission approved the lines proposed for the following points:

- **European Maritime Safety Agency and repeal of Regulation (EC) No 1406/2002 (Regulation) – HUMBERTO (ex-MONTEIRO DE AGUILAR) report – 2023/0163 (COD)**

Line set out in SI(2025) 156.

- **Detergents and surfactants, amendment of Regulation (EU) 2019/1020 and repeal of Regulation (EC) No 648/2004 (Regulation) – SBAI report – 2023/0124 (COD)**

Line set out in SI(2025) 154/2.

- **Establishment of a common data platform on chemicals, laying down rules to ensure that the data contained in it are findable, accessible, interoperable and reusable and establishment of a monitoring and outlook framework for chemicals (Regulation) – TSIODRAS (ex-SPYRAKI) report – 2023/0453 (COD) / Amendment of Directive 2011/65/EU of the European Parliament and of the Council as regards the re-attribution of scientific and technical tasks to the European Chemicals Agency (Directive) – TSIODRAS (ex-SPYRAKI) report – 2023/0454 (COD) / Amendment of Regulations (EC) No 178/2002, (EC) No 401/2009, (EU) 2017/745 and (EU) 2019/1021 of the European Parliament and of the Council as regards the re-attribution of scientific and technical tasks and improving cooperation among Union agencies in the area of chemicals (Regulation) – TSIODRAS (ex-SPYRAKI) report – 2023/0455 (COD)**

Line set out in SI(2025) 155/2.

- **Designation of the European coordinators for the trans-European transport network**

Line set out in SPI(2025) 24.

The Commission took note of the following point:

- **Circularity requirements for vehicle design and on management of end-of-life vehicles, amendment of Regulations (EU) 2018/858 and 2019/1020 and repeal of Directives 2000/53/EC and 2005/64/EC (Regulation) – GIESEKE**

& SAUDARGAS report – 2023/0284 (COD)

Information set out in SI(2025) 157.

**5. COORDINATION OF EXTERNAL ACTION
(RCC(2025) 219)**

The Commission took note of the written exchanges of the Group for External Coordination that took place on Wednesday 28 May 2025 (RCC(2025) 219).

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS**6.1. WRITTEN PROCEDURES APPROVED
(SEC(2025) 148 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 26 May and 1 June 2025.

**6.2. EMPOWERMENT
(SEC(2025) 149 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 26 May and 1 June 2025.

**6.3. DELEGATION / SUBDELEGATION OF POWERS
(SEC(2025) 150 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedures between 26 May and 1 June 2025 archived in Decide.

**6.4. WRITTEN PROCEDURES SPECIFICALLY IDENTIFIED
(SEC(2025) 151 TO /4)**

The Commission took note of the significant written procedures for which the time limit expired between 2 and 13 June 2025, and of the finalisation written procedures.

**6.5. COMMISSION DECISION GRANTING AN EMPOWERMENT RELATING TO CERTAIN DECISIONS IN RESPECT OF GEOGRAPHICAL INDICATIONS IN THE AGRICULTURAL PRODUCTS, WINE AND SPIRIT DRINKS SECTORS AND OF TRADITIONAL SPECIALITIES GUARANTEED IN THE AGRICULTURAL PRODUCTS SECTOR UNDER REGULATION (EU) 2024/1143 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
(C(2025) 3600)**

The Commission decided to empower the Member of the Commission with responsibility for agriculture and food to adopt, on behalf of the Commission and under its responsibility, certain decisions in respect of geographical indications in the agricultural products, wine and spirit drinks sectors and of traditional specialities guaranteed in the agricultural products sector, subject to the conditions laid down in Articles 2 to 5 of the Decision.

The Commission adopted the Decision in C(2025) 3600.

**7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2025) 152)**

ADMINISTRATIVE MATTERS**(PERS(2025) 55)****7.1. DG HUMAN RESOURCES AND SECURITY – APPOINTMENT OF A DIRECTOR AT GRADE AD14/15****(PERS(2025) 56 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 ‘Organisational Design and Development’ Directorate in DG Human Resources and Security (PERS(2025) 56).

It took note of the opinions of the Consultative Committee on Appointments of 2 and 15 May 2025 (PERS(2025) 56/2).

The Commission proceeded to compare the applicants’ qualifications for the post. On a proposal from Mr SERAFIN, in agreement with the PRESIDENT, it then decided to appoint Ms Jennifer BROWN to the post.

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

7.2. DG COMMUNICATION NETWORKS, CONTENT AND TECHNOLOGY – AMENDMENT OF THE ORGANISATION CHART AND AUTHORISATION OF THE INTERNAL PUBLICATION AT GRADE AD15/16 OF A DEPUTY DIRECTOR-GENERAL POST**(SEC(2025) 167; PERS(2025) 57)**

On a proposal from Mr SERAFIN, in agreement with the PRESIDENT, and after consulting Ms VIRKKUNEN, the Commission decided to amend the organisation chart of DG Communication Networks, Content and Technology, and to approve:

- the creation of a post of Deputy Director-General in charge of the ‘Cybersecurity and Trust’ Directorate, reporting to the Director-General

of DG Communication Networks, Content and Technology;

- the internal publication, at grade AD15/16, with immediate effect, of the vacancy notice set out in PERS(2025) 57 for the post of Deputy Director-General in charge of the ‘Cybersecurity and Trust’ Directorate, in accordance with Article 29(1)(a)(i) and (iii) of the Staff Regulations;
- the new organisation chart of DG Communication Networks, Content and Technology as set out in SEC(2025) 167.

Following this reorganisation, the total number of Directorates in DG Communication Networks, Content and Technology would remain unchanged and the number of units would increase from 43 to 46.

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

7.3. REFORM AND INVESTMENT TASK FORCE – AMENDMENT OF THE ORGANISATION CHART (SEC(2025) 168)

On a proposal from Mr SERAFIN, in agreement with the PRESIDENT, the Commission decided to amend the organisation chart of the Reform and Investment Task Force (SG REFORM), and to approve:

- the abolition of the ‘Technical Support Instrument (TSI)’ Directorate (REFOR.E) and of the corresponding Director post;
- the transfer of the units of the abolished ‘Technical Support Instrument (TSI)’ Directorate (REFOR.E) to Directorate A, renamed ‘Technical Support Instrument (TSI)’ (REFOR.A), and to Directorate D ‘Recovery and Resilience III (RRF III)’ (REFOR.D);
- the new organisation chart of the Reform and Investment Task Force as set out in SEC(2025) 168.

Following this reorganisation, the total number of Directorates of the Reform and Investment Task Force would decrease from 5 to 4 and the number of units would remain unchanged.

These decisions would take effect on 16 June 2025.

- 8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – A PREDICTABLE AND COMMON EUROPEAN WAY FORWARD FOR UKRAINIANS IN THE EU
(COM(2025) 649 AND /2; RCC(2025) 40)**
- 9. PROPOSAL FOR A COUNCIL IMPLEMENTING DECISION EXTENDING TEMPORARY PROTECTION, AS INTRODUCED BY IMPLEMENTING DECISION (EU) 2022/382, UNTIL 4 MARCH 2027
(COM(2025) 650; RCC(2025) 40)**
- 10. PROPOSAL FOR A COUNCIL RECOMMENDATION ON A COORDINATED APPROACH TO THE TRANSITION OUT OF TEMPORARY PROTECTION FOR DISPLACED PERSONS FROM UKRAINE
(COM(2025) 651 AND /2; RCC(2025) 40)**

By way of introduction, the PRESIDENT explained that the common path proposed that day for the future of Ukrainian refugees in the EU, including a fourth extension of the temporary protection scheme, provided a guarantee of stability and security while paving the way for a gradual phase-out of the scheme as soon as the necessary conditions were met.

Ms VIRKKUNEN began by stressing the strategic importance of the proposed package of measures, which was a key pillar of the European response to

Russia's war of aggression against Ukraine and sent a strong message of solidarity by reaffirming the EU's commitment to maintaining its support for as long as necessary. These measures also met the expectations of the Member States and Ukraine in terms of stability and predictability.

She noted that the current situation was significantly more complex than on previous occasions when the Temporary Protection Directive had been extended. Some host communities were showing signs of fatigue, which was partly linked to the unequal sharing of responsibilities between Member States, some of which were hosting a disproportionate share of the 4.3 million displaced Ukrainians. The system was also facing challenges such as the emergence of cases of abuse, with some people receiving benefits in several countries.

Ms VIRKKUNEN also highlighted the increase in asylum applications lodged by Ukrainian citizens fearing an impending end to the temporary scheme, which had resulted in a growing administrative burden for the national authorities concerned. In view of these developments, she considered that a mere extension of the Directive would no longer provide an adequate response to the current challenges. She therefore called for a more sustainable and forward-looking approach, as proposed in that day's package.

Mr BRUNNER then presented the main components of the package. He reminded the College that the temporary protection system played a crucial role in preventing the national asylum systems from becoming overloaded, which was a major concern for many Member States. Its extension would provide a stable legal framework for both beneficiaries and national authorities and allow the time needed to organise the transition to more sustainable arrangements.

Of the approximately 4.3 million Ukrainians currently benefiting from the Temporary Protection Directive, about 1.5 million were children. By comparison, there were probably no more than 4 million children left in Ukraine, which meant

that a significant part of the next generation of Ukrainians was currently living in the EU.

Mr BRUNNER stressed that the smooth and gradual phasing-out of the temporary protection scheme required close coordination, not only between Member States, but also with Ukraine. This coordination would make it possible to better anticipate and organise the return of Ukrainians who wished to go back, facilitate their reintegration into Ukrainian society and limit secondary movements within the EU.

He also drew attention to the central role of the Unity Hubs to be set up in the Member States, in cooperation with the Ukrainian authorities. Unity Hubs would serve as multipurpose information centres for both the integration of displaced people in host societies and returns to Ukraine. They would address the basic needs of Ukrainians in terms of housing, education, employment and health, during their stay in the EU and upon their return to Ukraine.

Mr BRUNNER concluded his presentation by stressing the fundamental principle that nothing concerning Ukraine should be decided without Ukraine. This principle, widely recognised in the context of the peace negotiations, applied in full to all related initiatives, including the package of measures presented that day.

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

- the College’s overall support for the proposed measures and their objectives;
- appreciation for the clarity provided with regard to the granting of residence permits by Member States, which would help avoid multiple registrations;
- a reminder of Ukraine’s wish that its nationals should eventually return to their country to take part in its reconstruction;
- examples of successful integration of Ukrainians in several Member States, and the point made that a large majority of Ukrainians did not receive social

assistance, whereas since the second half of 2023 their contribution to national budgets had exceeded the costs associated with government support;

- the recognition of a persistent gap between these facts and public perception of the situation, fuelling a growing risk of rejection, particularly in a delicate political context;
- support for the recommendation to organise a gradual phasing out of the temporary protection scheme in the event of a ceasefire in Ukraine;
- at the same time, an awareness that the prospect of lasting peace remained uncertain in the short term;
- a growing concern about the observed slowdown, on the one hand, in support for Ukraine from certain Member States and, on the other, in the pace of reforms in Ukraine, both of which were likely to affect the disbursement of the next instalments of European aid.

In response to some of the points raised during the discussion, the PRESIDENT highlighted the effectiveness of the temporary protection mechanism put in place for Ukrainians, which had helped prevent excessive pressure on national asylum systems. She warned against destabilisation attempts by external actors who sought to instrumentalise perceptions of social injustice. She also pointed out that Ukraine was continuing its reform efforts with determination in the extremely difficult context of an unjustified war of aggression.

Finally, she expressed deep concern about the fate of the more than 20 000 Ukrainian children abducted by Russia. She considered that such acts raised legitimate questions about Russia's willingness to engage in a conflict resolution process, particularly in the light of certain official Russian statements emphasising demographic challenges.

Following these presentations, the Commission:

- approved the Communication in COM(2025) 649/2 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;
- adopted the proposal for a Council Implementing Decision set out in COM(2025) 650, for transmission to the Council and, for information, to the European Parliament and the national parliaments;
- adopted the proposal for a Council Recommendation set out in COM(2025) 651/2 for transmission to the Council and, for information, to the European Parliament and the national parliaments.

11. JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL – AN INTERNATIONAL DIGITAL STRATEGY FOR THE EUROPEAN UNION
(JOIN(2025) 140 TO /3; RCC(2025) 45)

Ms VIRKKUNEN explained that this Joint Communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy had been drawn up in response to a request from the European Council the previous year. The purpose of the Communication was to reaffirm the EU's position as a reliable, steadfast and predictable partner in international digital policy.

In an increasingly unstable international context, it was urgent for the EU to boost its competitiveness in critical technologies, and in artificial intelligence in particular. Progress on this front could only be achieved through a collective approach, based on dialogue and cooperation. Ms VIRKKUNEN recalled in this respect that the EU remained fully committed to the rules-based global order in line with its principles and values.

She went on to outline the proposed strategy, which was built around three complementary strands. The first strand was designed to strengthen partnerships with the most advanced economies in order to boost the EU's technological competitiveness, ensure its security and do more to attract talent in close cooperation with its allies.

The second strand focused on supporting less technologically advanced countries by drawing on the EU's funding instruments, the Global Gateway initiative and the expertise of European businesses, in the spirit of sustainable and inclusive digital development.

The third strand involved active engagement with worldwide digital governance, in particular in multilateral fora, in order to preserve an open, inclusive and rules-based system in the face of attempts to undermine that balance.

In conclusion, Ms VIRKKUNEN stressed that the approach adopted was intended to promote constructive and balanced technological cooperation based on mutual trust, reciprocity and respect for the EU's strategic interests. The EU needed to preserve its capacity to act in a rapidly changing international environment, while maintaining an open dialogue with all its partners.

Ms KALLAS stated that the strategy came at a critical juncture for the EU, when it needed to assert its place more decisively on the international digital stage and promote its priorities more. She drew attention to the risk of becoming ever more dependent on digital infrastructure from elsewhere. If the EU and its partners did not propose robust alternatives, an ever growing share of the world economy was likely to depend on systems that did not reflect the EU's norms or interests. This would weaken the competitiveness of its industry and restrict its capacity to act in vital areas such as security and defence.

Ms KALLAS welcomed the clear link in the strategy between competitiveness, security and strategic autonomy. She stressed the need for better coordination of existing instruments and clearer EU action. There was a need for a greater strategic

dimension in the EU's digital partnerships. It was no longer a matter purely of technical cooperation, but of wholesale external policy instruments designed to boost common resilience, promote shared standards and safeguard the EU's capacity to act in an increasingly competitive environment.

In conclusion, Ms KALLAS stressed that the EU's credibility depended on its ability to translate this strategy into tangible results for its citizens and its partners. The EU's digital diplomacy network should be fully deployed, building on existing expertise and increasing coordination on the ground, where digital questions intersected with priorities in matters of security, development and stability.

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

- the growing importance of digital partnerships for data exchange and international trade, as well as for promoting EU rules as a benchmark;
- progress on adequacy decisions, including ongoing discussions with a number of partners, in particular in Latin America and Africa, and recent exchanges with US authorities on data protection;
- the status of discussions on cross-border access to data and electronic evidence in an evolving legal context, and the positive results achieved in countering cybercriminality thanks to increased cooperation with a number of international partners;
- the determination to pursue and deepen existing cooperation on all of these fronts.

The PRESIDENT wound up the discussion by calling for greater digital autonomy for the EU, building on efforts already undertaken in strategic sectors such as energy or defence. She pointed out in this connection that the EU had some solid advantages in terms of digital infrastructure, industrial capacity and cutting-edge

technologies, which should now be harnessed to make the EU fully sovereign on the digital front.

Following these presentations, the Commission agreed, on a proposal from the PRESIDENT, that the Joint Communication in JOIN(2025) 140/3 would be formally adopted by finalisation written procedure, the deadline for which was set on Thursday 5 June 2025 (PE/2025/3518).

12. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – EUROPEAN WATER RESILIENCE STRATEGY (COM(2025) 280 TO /3; RCC(2025) 43)

13. COMMISSION RECOMMENDATION ON GUIDING PRINCIPLES OF WATER EFFICIENCY FIRST (C(2025) 3580 TO /3; RCC(2025) 43)

The PRESIDENT introduced the European strategy to strengthen water security for people, the economy and the environment, by stressing how important it was for the EU to ensure that this scarce and essential natural resource was managed in a sustainable way.

Ms RIBERA began by stating that water-related severe weather events had intensified and that there was an urgent need to improve European preparedness in this respect. She explained that the strategy proposed by the Commission was based on an integrated approach for optimising water management, in both quantitative and qualitative terms, in order to secure the supply of freshwater for individuals and industry.

According to projections, by 2030 global water demand would surpass available resources by 40%, which underscored the need for Europe to manage its use of water resources more efficiently.

Ms RIBERA highlighted the repercussions of water availability for food supply – an issue recently raised by the European Environment Agency – and pointed out that the current Commission had focused on this priority, which was a growing concern for society and was closely linked to climate challenges. It was with this in mind that the strategy introduced the principle of water efficiency first.

Lastly, Ms RIBERA underlined the many opportunities for innovation offered by good water management and its positive social impact. In conclusion, she stressed that investing in efficient water management was not just a question of resilience and security; it was also a lever for economic growth for people and for businesses.

Ms ROSWALL emphasised the cross-cutting nature of the challenges related to sustainable water management, for which all Member States needed to be on board. She quoted some figures to illustrate the current situation in the EU: 60% of companies strongly depended on water; on average 30% of the water intended for consumption was leaking from water pipes; and only 1% of water was being reused, with significant differences between Member States.

It was for these reasons that the European strategy presented that day was an essential and ambitious document. It was also the result of an inclusive process that had brought together all stakeholders: businesses, farmers, civil society, Member States and the European Parliament.

Ms ROSWALL then presented the five main points that had emerged from the stakeholder consultation.

First, there was no quick fix. Water was a shared resource, meaning close cooperation between all parties concerned was imperative. Accordingly, the strategy put forward three goals: (i) restoring and protecting the water cycle, from source to

sea; (ii) building a water-smart economy to boost competitiveness and promote the EU's water industry; and (iii) ensuring clean and affordable water and sanitation services for all.

The strategy put water efficiency first and therefore set the target of improving EU water efficiency by at least 10% by 2030. This was an aspirational but non-binding target, allowing to take into account the different situations on the ground at national, regional and local level, as well as the specific needs of different economic sectors. This target was based on the objectives already set by certain Member States and on the report published that day by the European Environment Agency on the potential for water savings across many sectors.

Second, Ms ROSWALL stressed the urgent need to upgrade water infrastructure throughout Europe and boost investment to address the identified gap. In this connection, she welcomed the fact that the European Investment Bank (EIB) intended to make over EUR 15 billion in funding available for water projects between 2025-2027.

Third, she highlighted the considerable potential of digitalisation and innovation, for example to detect leaks, reduce domestic consumption and predict scarce supplies. Although the EU was home to many innovative water technology companies and accounted for 40% of global patents, the take-up of these technologies across Europe was still uneven and slow. Ms ROSWALL called for this potential to be fully unlocked and for more private investment, in particular by building on the strategy recently adopted by the Commission on start-ups and scale-ups.

Fourth, she mentioned improving governance and implementing EU rules on water management. In this context, she proposed working with Member States on the basis of structured dialogues to set enforcement priorities. This approach would also help Member States to better identify flood and drought risks, cooperate more effectively across borders and better protect water infrastructure for the benefit of EU security and preparedness.

The fifth and final point concerned the importance of ensuring access to high-quality drinking water. In this respect, Ms ROSWALL noted that pollution and per- and polyfluoroalkyl substances (PFAS) contamination were issues of increasing public concern because of their impact on health and the environment. She reiterated that the polluter pays principle had to be applied and that it was imperative to invest in technology and innovation to detect and eliminate this pollution.

In conclusion, she made clear that water was managed at different levels. While municipalities and regions were often best placed to act, cooperation was essential, both within the EU and with international partners. The EU had to play an active role on the international stage, in order to draw up a global water management strategy fit to meet the challenges posed by water stress. Such an approach would also open up opportunities for EU businesses active in the fields of innovation and digitalisation.

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

- appreciation for the strategy's ambition, deemed essential for all Member States and especially for Europe's agricultural sector, which was facing a growing water shortage;
- the need to develop state-of-the-art water retention infrastructure and irrigation technology throughout the EU;
- the full alignment of the strategy with the Ocean Pact, in particular through a comprehensive source-to-sea management approach;
- the strong link created by the strategy between the EU's commitment to sustainability and climate, on the one hand, and the Commission's emphasis on competitiveness and regulatory simplification, on the other;

- the cornerstone that this initiative, together with the Ocean Pact, represented in European water diplomacy, and the EU's role as a leader in sustainable governance;
- reference to the Urban Wastewater Treatment Directive, which should enter into force in 2027, and to the requests of Member States and economic operators for an in-depth study by the Commission into the potential costs and benefits of the Directive's implementation;
- the link between sustainable water management and skills shortages in key sectors such as agriculture, water distribution and new technologies aimed at reducing water consumption, and the importance, in this context, of the Union of Skills;
- the importance of stepping up preparedness for severe weather events, which were likely to cause water shortages or floods, with major economic and social repercussions;
- the crucial role played by cohesion policy in promoting investment in infrastructure and water management, and the additional opportunities afforded by the mid-term review of this policy.

In response to some of the issues raised during the discussion, Ms ROSWALL stressed the need for broad cooperation on the implementation of the proposed strategy and constant dialogue with citizens, businesses and political decision-makers. On the Urban Wastewater Treatment Directive, she underlined that the issue of sharing costs between taxpayers and polluters was a complex one. For this reason, a detailed impact analysis was needed and had already been started by the Commission.

Ms RIBERA highlighted the economic opportunities offered by the development and export of EU technologies to manage water effectively, including digitalisation, circularity and desalination. To this end, she emphasised the increased need for

investment, for instance to put in place an early warning system for extreme weather events.

The PRESIDENT wrapped up the discussion by pointing out that it was because of climate change that Europe – traditionally rich in water resources and characterised by a temperate climate – was having to take ambitious measures to make it more resilient when it came to water management.

Following these presentations, the Commission:

- approved the Communication in COM(2025) 280/3 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;
- adopted the Commission Recommendation in C(2025) 3580/3 and decided to publish it, for information, in the *Official Journal of the European Union* and to transmit it, for information, to the European Parliament and the Council.

**14. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – THE EUROPEAN OCEAN PACT
(COM(2025) 281 TO /3; RCC(2025) 44)**

The PRESIDENT introduced the Communication by pointing out that she would present the European Ocean Pact at the third United Nations Ocean Conference (UNOC-3) to be held in Nice (France) from 9 to 13 June 2025.

Mr FITTO thanked the Members of the College for their contributions to the drafting of the Ocean Pact, reminding the meeting that this had been mentioned in the PRESIDENT's political guidelines. He stressed its strategic importance, noting

that in March the European Council had welcomed the Commission's intention of putting forward an ambitious, holistic and forward-looking pact ahead of the United Nations Ocean Conference.

In this context, the Ocean Pact set out a truly comprehensive approach that brought together policies, programmes and initiatives relating to the ocean with the aim of creating synergies, adding value, and increasing the impact of the measures concerned.

Mr FITTO highlighted two complementary flagship initiatives announced in the Ocean Pact. The first initiative was a legislative proposal on the ocean to be presented by 2027, with the objective of strengthening ocean governance, particularly through clarifying the Commission's role in maritime spatial planning and by encouraging Member States to adopt coordinated approaches. The second initiative aimed at streamlining and aligning reporting requirements for Member States in order to lighten the administrative burden and enhance clarity and policy consistency, whilst identifying solutions to facilitate the fulfilment of ocean-related obligations.

He concluded by announcing the forthcoming presentation of other complementary initiatives, such as specific strategies for the outermost regions and islands, or dedicated funding from cohesion policy.

Mr KADIS emphasised the fact that the ocean was a strategic asset for the European Union. The EU had the world's largest Exclusive Economic Zone, with an area of around 25 million km² and almost 70 000 km of coastline. The blue economy generated around 5 million jobs and EUR 250 billion.

He stressed the dual ecological and geopolitical importance of this maritime space, underlining its central role in preserving ecosystems and its immense potential for the EU's competitiveness and security. The Ocean Pact brought together the EU's ocean-related policies into a single reference framework aimed at tackling the considerable threats to European maritime space and its coastal communities,

islands and outermost regions. The Ocean Pact was based on a broad public consultation involving a wide range of stakeholders, including universities, industry representatives, non-governmental organisations, local communities, Member State governments and non-EU stakeholders.

Mr KADIS then presented the six structural pillars of the Ocean Pact, aimed at (i) ensuring ocean sustainability, in particular by designating protected sea areas; (ii) strengthening the blue economy, supporting both traditional fisheries and aquaculture and emerging sectors such as ports, tourism, marine energy, and offshore technologies; (iii) protecting islands and coastal communities by increasing their resilience; (iv) developing an enhanced ocean knowledge base, covering both coastal areas and the high seas; (v) building a European pillar of maritime defence and security, integrating initiatives on hybrid threats, critical underwater infrastructure and the deployment of drone fleets; and (vi) promoting a new model for ocean governance and diplomacy.

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

- the need for a holistic approach, which was the only way to respond to the emergency and challenges facing the ocean, and the importance in this context of a new, dedicated global governance;
- the balanced nature of the Communication presented, which struck the right balance between environmental protection and the economic viability of the wider maritime sector;
- a reminder, in this context, of the ongoing preparation of the future EU Port Strategy;
- the advantages of presenting the Ocean Pact at the third United Nations Ocean Conference, which would also make it possible to reassert the EU's strategic autonomy in this sector, including in the field of scientific research;

- the observation that the environmental situation of the seas and oceans had severely deteriorated as a result of human activities, and a reminder that negotiations on an international treaty to combat plastic pollution at sea would continue from 5 to 14 August in Geneva.

The PRESIDENT concluded the debate by welcoming the fact that the College had a Commissioner, Mr KADIS, specifically responsible for fisheries and oceans, showing the importance of these strategic challenges to the Commission.

Following these presentations, the Commission agreed, on a proposal from the PRESIDENT, that the Communication in COM(2025) 281/3 would be formally adopted by finalisation written procedure, the deadline for which was set for Thursday 5 June 2025 (PE/2025/3450).

15. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN CENTRAL BANK, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, THE COMMITTEE OF THE REGIONS AND THE EUROPEAN INVESTMENT BANK: 2025 EUROPEAN SEMESTER – SPRING PACKAGE

(COM(2025) 200 TO /3; RCC(2025) 42)

16. RECOMMENDATIONS FOR COUNCIL RECOMMENDATIONS ON THE ECONOMIC, SOCIAL, EMPLOYMENT, STRUCTURAL AND BUDGETARY POLICIES OF THE MEMBER STATES

(COM(2025) 201 AND /2; COM(2025) 202 AND /2; COM(2025) 203 AND /2; COM(2025) 204 AND /2; COM(2025) 205 AND /2; COM(2025) 206 AND /2; COM(2025) 207 AND /2; COM(2025) 208 AND /2; COM(2025) 209 AND /2; COM(2025) 210 AND /2; COM(2025) 211 AND /2; COM(2025) 212 AND /2; COM(2025) 213 AND /2; COM(2025) 214 AND /2; COM(2025) 215 AND /2; COM(2025) 216 AND /2; COM(2025) 217 AND /2; COM(2025) 218 AND /2; COM(2025) 219 AND /2; COM(2025) 220 AND /2; COM(2025) 221 TO /3;

COM(2025) 222 AND /2; COM(2025) 223 TO /3; COM(2025) 224 AND /2; COM(2025) 225 AND /2; COM(2025) 226 AND /2; COM(2025) 227 AND /2; SWD(2025) 201 AND /2; SWD(2025) 202; SWD(2025) 203; SWD(2025) 204 AND /2; SWD(2025) 205 AND /2; SWD(2025) 206 AND /2; SWD(2025) 207 AND /2; SWD(2025) 208; SWD(2025) 209; SWD(2025) 210 AND /2; SWD(2025) 211; SWD(2025) 212 AND /2; SWD(2025) 213; SWD(2025) 214 AND /2; SWD(2025) 215; SWD(2025) 216 AND /2; SWD(2025) 217 AND /2; SWD(2025) 218 AND /2; SWD(2025) 219 AND /2; SWD(2025) 220 AND /2; SWD(2025) 221; SWD(2025) 222; SWD(2025) 223; SWD(2025) 224 AND /2; SWD(2025) 225; SWD(2025) 226 AND /2; SWD(2025) 227 AND /2; RCC(2025) 42)

- 17. COMMISSION RECOMMENDATIONS FOR COUNCIL RECOMMENDATIONS ALLOWING CERTAIN MEMBER STATES TO DEVIATE FROM THE MAXIMUM GROWTH RATES OF NET EXPENDITURE AS SET BY THE COUNCIL UNDER REGULATION (EU) 2024/1263 (ACTIVATION OF THE NATIONAL ESCAPE CLAUSE)**
(COM(2025) 600 AND /2; COM(2025) 601 AND /2; COM(2025) 602 AND /2; COM(2025) 603 AND /2; COM(2025) 604 AND /2; COM(2025) 605 AND /2; COM(2025) 606 AND /2; COM(2025) 607 AND /2; COM(2025) 608 AND /2; COM(2025) 609 AND /2; COM(2025) 610 AND /2; COM(2025) 611 AND /2; COM(2025) 612 AND /2; COM(2025) 613 AND /2; COM(2025) 614 AND /2; RCC(2025) 42)

- 18. PROPOSAL FOR A COUNCIL DECISION ON GUIDELINES FOR THE EMPLOYMENT POLICIES OF THE MEMBER STATES**
(COM(2025) 230 AND /2; RCC(2025) 42)

The PRESIDENT introduced the European Semester Spring Package by stressing the growing political importance of the exercise over the years and its complementarity with the reforms and investments planned under NextGenerationEU.

Mr DOMBROVSKIS pointed out that the European Semester was the EU's central tool for coordinating Member States' fiscal, macroeconomic, social and employment policies. That year's exercise placed particular emphasis on implementing the priorities set out in the Competitiveness Compass, which was also reflected in the country-specific recommendations.

As regards fiscal policies, Mr DOMBROVSKIS explained that, as part of the ReArm Europe Plan / Readiness 2030 presented in March 2025, the Commission had introduced the option for Member States to activate the national escape clause to give them extra flexibility to boost defence spending. As things stood, 16 Member States had requested activation, and the Commission had positively assessed 15 of those requests, from Belgium, Bulgaria, Croatia, Czechia, Denmark, Estonia, Finland, Greece, Hungary, Latvia, Lithuania, Poland, Portugal, Slovakia and Slovenia respectively. The sixteenth request would be examined as soon as Germany had submitted its medium-term fiscal-structural plan.

As regards the excessive deficit procedure, Mr DOMBROVSKIS indicated that the Commission had drawn up a report under Article 126(3) of the Treaty on the Functioning of the European Union (TFEU) to assess compliance with the deficit criterion for four Member States: Austria, Finland, Latvia and Spain. The report concluded that Austria had not complied with the budget deficit criterion for 2024 and was not forecast to for 2025 or 2026. The Commission therefore intended to propose to the Council that an excessive deficit procedure be opened for Austria and also a fiscal adjustment path be set out for it to implement.

As regards the Member States that were already under an excessive deficit procedure, Mr DOMBROVSKIS noted that the procedures could be suspended for France, Italy, Hungary, Malta, Poland and Slovakia and no further measures needed to be taken at this stage. For Belgium, following the submission of its medium-term plan, the Commission had recommended a new corrective path, currently pending adoption by the Council. Lastly, for Romania, the net expenditure growth was significantly above the ceiling set by its corrective path, posing clear risks to

correcting its excessive deficit by 2030. The Commission therefore recommended that a decision be adopted by the Council that established Romania had not taken effective action.

Mr DOMBROVSKIS also reported that the Commission had assessed the progress made by the Member States that were not currently under an excessive deficit procedure in implementing the national medium-term fiscal-structural plans. In 12 of those Member States, fiscal efforts were considered to be in line with the recommended maximum net expenditure growth. Portugal and Spain were broadly compliant, with limited deviations from their paths recommended by the Council. However, the Commission noted a risk of deviation from the recommended paths for Cyprus, Ireland, Luxembourg and the Netherlands, which could justify the opening of a debt-based excessive deficit procedure for countries with a debt-to-GDP ratio above 60%.

Mr DOMBROVSKIS then briefly referred to the macroeconomic imbalance procedure and noted the positive developments in Germany and Cyprus. The Commission considered that those two countries were no longer experiencing macroeconomic imbalances, in particular thanks to Germany's investment package and Cyprus's sound fiscal performance.

Lastly, he welcomed the very positive news on Bulgaria, which – according to the convergence report published in parallel with the European Semester exercise – now fulfilled all the necessary criteria to join the euro area. On the basis of that report, the Council was expected to take a final decision within the subsequent two months, paving the way for Bulgaria to adopt the euro at the beginning of 2026.

For her part, Ms MÎNZATU emphasised the social dimension of the European Semester. In that context, she referred to the role of the Social Convergence Framework, through which the Commission could alert Member States to the risk of social divergence resulting from some of their policies.

In line with that framework, the Commission had carried out a two-stage analysis of the social, employment and skills challenges in each Member State. The results of the first stage were presented in the Joint Employment Report, proposed by the Commission as part of the 2024 autumn cycle of the European Semester. Subsequently, the Commission had conducted a second stage of analysis as well as in-depth dialogues with 10 Member States identified as being at risk of social divergence.

Ms MÎNZATU was pleased to note that all the Member States that had undergone these in-depth reviews had taken steps to address the risks identified. However, the Commission considered that further efforts were needed in three Member States, namely Greece, Italy and Romania, to address certain persistent social vulnerabilities.

She also noted that a major new development in the 2025 European Semester cycle was that for the first time country-specific recommendations had been issued on persistent structural challenges in terms of skills, participation of certain social groups in the labour market, in-work poverty, and education and childcare for young children.

With this in mind, Ms MÎNZATU stressed the key role of the European Semester in helping Member States to better identify specific areas where more investment and reforms were needed. Lastly, she stressed the importance of a strong financial dimension, in particular through the European Social Fund Plus (ESF+) and other EU instruments, to support national efforts to strengthen social cohesion and prevent social imbalances.

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

- the importance of activating national escape clauses and of country-specific recommendations to allow for a targeted increase in defence-related expenditure and to strengthen Member States' defence readiness;

- the suggestion of launching an in-depth analysis of national needs in this area, with a view to preparing a European Defence and Security Pact, which would enable better coordination at EU level of high-value-added initiatives, such as public procurement, strategic stockpiling and simplification of procedures;
- the scope of the country-specific recommendations on decarbonisation, and the appropriateness of including carbon flows from land use, land use change and forestry;
- recognition of the progress made by Bulgaria, which now met the criteria for membership of the euro area, as well as the need for Commissioners to actively support the Bulgarian government in its efforts to combat disinformation about the euro and attempted foreign interference in national democratic processes;
- the key role of education and social policies in strengthening competitiveness, supporting economic growth and ensuring a good quality of life for European citizens.

In response to some of the points raised during the discussion, Mr DOMBROVSKIS explained that there was a recurring debate on the scope of the country-specific recommendations. He pointed out in that regard that they should remain focused on budgetary, macroeconomic, social and employment issues, in order to maintain the consistency and added value of the European Semester.

As regards Bulgaria's adoption of the euro, he stressed that contacts with the Bulgarian government and the national bank showed strong determination on their part to do everything they could for the country to join the euro area on 1 January 2026.

The PRESIDENT wound up the debate by pointing out that 8% of workers in the EU lived in poverty. She stressed that this was closely linked to access to quality childcare and education, and called for increased investment in this area, both at national and European level.

Following these presentations, the Commission:

- approved the Communication set out in COM(2025) 200/3 for transmission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, and, for information, to the national parliaments;
- adopted the Recommendations for Council Recommendations set out in COM(2025) 201/2 (Belgium), COM(2025) 202/2 (Bulgaria), COM(2025) 203/2 (Czechia), COM(2025) 204/2 (Denmark), COM(2025) 205/2 (Germany), COM(2025) 206/2 (Estonia), COM(2025) 207/2 (Ireland), COM(2025) 208/2 (Greece), COM(2025) 209/2 (Spain), COM(2025) 210/2 (France), COM(2025) 211/2 (Croatia), COM(2025) 212/2 (Italy), COM(2025) 213/2 (Cyprus), COM(2025) 214/3 (Latvia), COM(2025) 215/2 (Lithuania), COM(2025) 216/2 (Luxembourg), COM(2025) 217/2 (Hungary), COM(2025) 218/2 (Malta), COM(2025) 219/2 (Netherlands), COM(2025) 220/2 (Austria), COM(2025) 221/3 (Poland), COM(2025) 222/2 (Portugal), COM(2025) 223/3 (Romania), COM(2025) 224/2 (Slovenia), COM(2025) 225/2 (Slovakia), COM(2025) 226/2 (Finland) and COM(2025) 227/2 (Sweden) for transmission to the Council, and, for information, to the European Parliament, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank and the national parliaments, together with the staff working documents in, respectively, SWD(2025) 201/2, SWD(2025) 202, SWD(2025) 203, SWD(2025) 204/2, SWD(2025) 205/2, SWD(2025) 206/2, SWD(2025) 207/2, SWD(2025) 208, SWD(2025) 209, SWD(2025) 210/2, SWD(2025) 211, SWD(2025) 212/2, SWD(2025) 213, SWD(2025) 214/2, SWD(2025) 215, SWD(2025) 216/2, SWD(2025) 217/2, SWD(2025) 218/2, SWD(2025) 219/2, SWD(2025) 220/2, SWD(2025) 221, SWD(2025) 222, SWD(2025) 223, SWD(2025) 224/2, SWD(2025) 225, SWD(2025) 226/2 and SWD(2025) 227/2, the contents of which were noted;

- adopted the Recommendations for Council Recommendations in COM(2025) 600/2 (Belgium), COM(2025) 601/2 (Bulgaria), COM(2025) 602/2 (Czechia), COM(2025) 603/2 (Denmark), COM(2025) 604/2 (Estonia), COM(2025) 605/2 (Greece), COM(2025) 606/2 (Finland), COM(2025) 607/2 (Croatia), COM(2025) 608/2 (Hungary), COM(2025) 609/2 (Lithuania), COM(2025) 610/2 (Latvia), COM(2025) 611/2 (Poland), COM(2025) 612/2 (Portugal), COM(2025) 613/2 (Slovenia) and COM(2025) 614/2 (Slovakia) for transmission to the Council and, for information, to the European Parliament, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank and the national parliaments;
- adopted the proposal for a Council Decision set out in COM(2025) 230/2 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.

19. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL: NEXTGENERATIONEU – THE ROAD TO 2026
(COM(2025) 310 TO /3; RCC(2025) 47)

The PRESIDENT introduced the Communication on the implementation of NextGenerationEU by stressing the importance of this flagship initiative for the EU. She pointed out that NextGenerationEU was characterised by an innovative approach, combining EU funding with structural reforms, thus making it even more impactful. The main objective had been to ensure that the investments made today delivered lasting benefits for future generations.

She also highlighted NextGenerationEU's leading role in promoting environmental policies, which were a fundamental pillar of the EU's agenda. Finally,

the PRESIDENT stressed the importance of clearly communicating the tangible results achieved on the ground as a result of EU policies.

Mr FITTO emphasised that NextGenerationEU had been a major success in many respects. He began by pointing out that this instrument had been key in the EU's response to the COVID-19 pandemic. NextGenerationEU had stabilised financial markets while providing substantial financial support to Member States. Disbursements, in particular for grants, had been particularly fast, with a total amount of EUR 315 billion already disbursed so far.

In addition to this responsiveness, NextGenerationEU had enabled concrete investments in key areas such as the energy efficiency of housing, access to high-capacity digital networks, education and training systems, and the digitalisation of public administrations. It had also been a key means by which to implement structural reforms, with around two thirds of these crucial reforms already carried out, creating an enabling framework for investment.

Mr FITTO also stressed the spillover effect of the recovery and resilience plans (RRPs), which generated benefits that extended well beyond national borders and thus contributed to strengthening economic cohesion and Single Market integration. He also highlighted the key role played by the joint issuance of EU bonds on an unprecedented scale under NextGenerationEU, consolidating the position of the euro on international markets and strengthening the EU's financial credibility.

However, despite these notable achievements, there were still some challenges to overcome. There were increasing delays in the implementation of the recovery plans, which remained difficult to address and generated additional costs. A significant number of Member States still needed to reach more than 50% of their milestones and targets, and five of them still needed to implement more than 80% of their planned measures.

While acknowledging that these difficulties occurred amid a particularly complex geopolitical and economic context, marked by Russia's invasion of Ukraine, the

energy crisis and persistent inflation, Mr FITTO stressed the need to accelerate implementation.

In this regard, he called on Member States to review their plans to make up for the delays, in particular as regards the submission of full payment requests. These delays had led to an accumulation of liquidity which the Commission was now required to manage, with significant budgetary implications expected in 2025.

Mr FITTO concluded by recalling that NextGenerationEU was scheduled to be wound up at the end of 2026, and stressed the need for the Member States to step up their efforts in order to finalise implementation by the deadline.

Mr DOMBROVSKIS explained the timetable for implementing NextGenerationEU and outlined the options available to the Member States to maximise the use of the funds still available under the instrument. The Recovery and Resilience Facility ('the Facility'), the central component of NextGenerationEU, was due to expire on 31 August 2026, while the overall framework of the instrument would run until the end of the same year.

Given the tight timeline, the Communication proposed a number of concrete ways in which optimal use could be made of committed resources.

First, for large-scale investment projects, Mr DOMBROVSKIS stressed the importance of implementing them in stages. This approach would allow a first phase to be financed through the Facility, with the subsequent phases supported by other sources, be it national funds, cohesion policy or other EU instruments. The aim was to ensure that projects could be carried out without funds being lost and to avoid fragmentation of efforts.

Secondly, he recommended greater use of financial instruments, such as capital injections into national promotional banks and other financial institutions. Although some Member States were already using these mechanisms, others could go even further in harnessing their potential.

Thirdly, he mentioned the option to transfer funds to the future European Defence Industry Programme (EDIP), particularly in innovative areas such as the security of satellite communications. As this programme was currently under legislative negotiation, co-legislators were invited to consider specifically incorporating this option by means of an amendment to their plan in order to allow Member States to contribute.

Finally, Mr DOMBROVSKIS encouraged the Member States to conduct a pragmatic review of their recovery and resilience plans. The aim was to identify the measures that could reasonably be implemented within the set deadlines, to disregard impracticable elements and, where appropriate, to incorporate new priorities or to exploit the options proposed in this Communication. He pointed out that the revised plans had to be submitted by the end of the year at the latest, while stressing that their earlier transmission would allow more time for the finalisation of the plans and their effective implementation.

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

- the College’s general support for the Communication and its objectives;
- recognition of the good progress made in the disbursement of NextGenerationEU funds, in particular as regards grants;
- at the same time, the finding that, although 57% of the grants had already been disbursed, a substantial amount (EUR 154 billion) still needed to be allocated, which would require sustained efforts to finalise disbursements and achieve reform milestones by 2026;
- the importance of safeguarding the rule of law, including the fight against corruption, ensuring judicial independence and strengthening anti-fraud measures in the Member States;

- the recommendation to make the link between reforms and funding a guiding principle of the next Multiannual Financial Framework (MFF), giving particular importance to the robustness and integrity of the milestones;
- the need to keep focusing on reforms that would bring lasting benefits for future generations;
- the suggestion to further explore possible synergies between the milestones of the recovery plans, Horizon Europe, the European Innovation Council, and initiatives in the area of dual-use technologies and defence capabilities.

Following these presentations, the Commission approved the Communication in COM(2025) 310/3 for transmission to the European Parliament and the Council and, for information, to the national parliaments.

20. STATEMENT OF ESTIMATES OF THE COMMISSION FOR 2026 – PREPARATION OF THE 2026 DRAFT BUDGET (SEC(2025) 250 TO /3; RCC(2025) 41)

Mr SERAFIN thanked the Members of the College for the work carried out upstream to prepare this statement of estimates. In his view, the proposal for the 2026 draft budget was balanced and provided adequate funding for the EU's priorities in line with the mid-term revision of the Multiannual Financial Framework, though he stressed that the remaining available budgetary resources were still extremely limited.

The draft budget would enable the Commission to implement its priority policies, particularly those concerning migration, aid for Ukraine, the protection of critical infrastructure and defence. He pointed out that several flagship initiatives launched during the first 100 days of the current Commission's term of office, such as the Clean Industrial Deal and the Competitiveness Compass, had been included in the

budget, as had adjustments stemming from the mid-term review of cohesion policy. Despite this, there would be limited room for manoeuvre until the current Multiannual Financial Framework came to an end, and any new policy initiatives would need to be financed by redeploying internal resources.

Mr SERAFIN also referred to the cascade mechanism (EURI) that had been set up to manage the cost of borrowing under NextGenerationEU. In line with the agreement reached during the conciliation procedure for the 2025 budget, it was proposed that 50% of additional needs under the EURI line would be financed using existing resources and the other 50% would come from the reuse of decommitments.

As for heading 7, he pointed out that there was an imbalance linked to inflation that was higher than had been anticipated in 2020 and to an adjustment mechanism that took into account changes to wages and pensions in the Member States. The Commission was continuing to apply a strict approach to managing its own administrative expenditure as well as the expenditure of the other institutions. The use of special instruments, totalling EUR 969 million, remained unavoidable, however, owing to stubborn inflation.

In accordance with Article 314 of the Treaty on the Functioning of the European Union (TFEU), the Commission had adjusted the budgetary estimates of seven other institutions downwards to align them with the principles of stable staffing and the 2% cap on increases in non-salary expenditure. The Commission had accepted the statements of estimates from the European Council and the European Court of Auditors without making any changes, as they adhered to the budgetary guidelines.

On staffing, he noted that posts had been allocated in such a way as to address established priorities. For many departments, this meant that their requests could not be accommodated.

Mr SERAFIN concluded his presentation by referring to the next steps in the budget procedure. The full draft budget was scheduled to be adopted on 9 July, which

would be followed by two trilogues on 17 July and 14 October to discuss the readings by the Council and the European Parliament, respectively.

The Commission would also submit an amending letter early in October, which would include the usual updates for agricultural expenditure, the final revision of the EURI line and, if need be, an update for heading 7.

The conciliation procedure would begin on 28 October so that a compromise could be reached by 17 November, paving the way for the budget to be adopted at the European Parliament's November plenary session.

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

- the fact that, with regard to external action, the EU would have to make difficult choices in the absence of additional funding, particularly in certain cases where it would need to mitigate disengagement by other international players, although it was possible to use the flexibility provided for in the External Action Guarantee;
- the negative impact of the current fiscal context on the operations of the 145 EU delegations around the world, and the need to speed up work to modernise the infrastructure in question and make it more secure.

Following this presentation, the Commission:

- adopted the Commission's statement of estimates for the 2026 financial year as set out in documents I, II, III, IV, V and V bis, distributed as SEC(2025) 250 to /3, as a basis for drawing up the draft general budget of the European Union for the 2026 financial year;
- authorised Mr SERAFIN, the Member of the Commission with responsibility for the budget and human resources, to send documents I, II, III and IV to the European Parliament and the Council, for information;

- empowered Mr SERAFIN, in agreement with the PRESIDENT, to convert documents I, II, III and IV into corresponding volumes in the draft general budget for the 2026 financial year;
- empowered Mr SERAFIN, in agreement with the PRESIDENT, and in accordance with Article 314(1) of the Treaty on the Functioning of the European Union (TFEU), to consolidate the draft general budget for 2026 on the basis of the latest information provided by the other institutions on their own estimates, which might contain different forecasts, and to transmit it to the European Parliament and the Council and, for information, to the national parliaments.

21. OTHER BUSINESS

21.1. ANNUAL ACTIVITY REPORTS OF THE COMMISSION DEPARTMENTS FOR 2024 (INFO(2025) 30)

Mr SERAFIN briefly presented the information note on the Commission departments' 2024 Annual Activity Reports, which set out their contribution to implementing priority policies, while also highlighting certain shortcomings that had been identified.

These reports would provide the basis for the Commission's annual report to the European Parliament, the Council and the European Court of Auditors on the management and performance of the EU budget for the 2024 financial year, which would be adopted by the Commission on 17 June.

21.2. LATEST DEVELOPMENTS IN EXTERNAL RELATIONS

Ms KALLAS briefed the College on the latest developments in the EU's external relations. In particular, she reported on developments in

Ukraine and humanitarian conditions in Gaza, in the Middle East.

The Commission took note of this information.

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The Commission's other discussions on certain agenda items are recorded in the special minutes.

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The meeting closed at 11.54.