



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2025) 2534 final

- English translation of the French version which is authentic -

Brussels, 30 September 2025

TEXTE EN

MINUTES

of the 2534th extraordinary meeting of the Commission

held in Brussels

(Berlaymont)

on Monday 28 July 2025

(afternoon)

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Single sitting: Monday 28 July 2025 (afternoon)

The sitting opened at 14.02 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 ŠEFČOVIČ	Member
Mr KUBILIUS	Member
Mr SERAFIN	Member
Mr HANSEN	Member

The following members attended by videoconference:

Mr SÉJOURNÉ	Executive Vice-President	
Ms KALLAS	High Representative / Vice-President	
Ms MÎNZATU	Executive Vice-President	
Mr FITTO	Executive Vice-President	Items 4 (in part) to 6
Ms ŠUICA	Member	Items 1 to 5 (in part)
Mr VÁRHELYI	Member	
Mr HOEKSTRA	Member	
Ms KOS	Member	
Mr SÍKELA	Member	
Mr KADIS	Member	
Ms ALBUQUERQUE	Member	
Ms LAHBIB	Member	
Mr BRUNNER	Member	
Ms ROSWALL	Member	
Mr JØRGENSEN	Member	
Ms ZAHARIEVA	Member	
Mr McGRATH	Member	

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Mr TZITZIKOSTAS Member

Mr MICALLEF Member

Absent:

Mr DOMBROVSKIS Member

The following also sat in:

Mr SEIBERT Head of Cabinet to the PRESIDENT

Mr LADENBURGER Deputy Director-General, Legal Service

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

Mr ADAM Deputy Head of Cabinet to the PRESIDENT

Mr BAERT Adviser in the PRESIDENT's cabinet

Ms HAENICKE Member of the PRESIDENT's cabinet

Ms SEMLALI Policy Assistant in the PRESIDENT's cabinet

Ms TANASESCU Head of Unit in the Secretariat-General

Ms BUKA Secretariat-General

The following also sat in by videoconference:

Ms SPINANT Director-General, DG Communication

Secretary: Ms JUHANSONE, Secretary-General, assisted by Mr TAQUET-GRAZIANI, Acting Head of Unit in the Secretariat-General.

1. AGENDAS

(OJ(2025) 2534/FINAL)

The Commission took note of that day's agenda.

2. WEEKLY MEETING OF HEADS OF CABINET

(RCC(2025) 2534)

The Commission considered the Secretary-General's report on the weekly meeting of Heads of Cabinet held on Monday 28 July 2025.

**3. RELATIONS BETWEEN THE EUROPEAN UNION AND JAPAN, AND
BETWEEN THE EUROPEAN UNION AND CHINA**

The PRESIDENT reported on the bilateral summit with Japan held on 23 July 2025 and on the bilateral summit with China held on 24 July 2025, in which Mr COSTA and Ms KALLAS had also participated.

She began by highlighting the excellent summit with Japan, which was a close partner that shared the same values as the EU in the Indo-Pacific region. She reported that the discussions had mainly focused on competitiveness and economic security, which were strategic areas for both sides. Building on the Economic Partnership Agreement (EPA) already in force, both partners had decided to take a new step forward by launching an EU-Japan Alliance for Competitiveness and Economic Security. This initiative aimed to strengthen trade and investment, safeguard critical supply chains (in particular raw materials), and jointly promote a more circular economy.

The PRESIDENT said that, ahead of the summit, she had met with representatives of Japan's main employers' organisation. She praised their excellent knowledge of

EU policies and noted their particular interest in the challenges posed by China, including industrial overcapacity, unfair trading practices and supply chain risks. Japan was investing heavily in diversifying and securing its sources of supply of critical raw materials, which created concrete opportunities for cooperation with the EU.

The PRESIDENT also referred to the EU's interest in structured cooperation with the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), a free trade agreement bringing together several countries in Asia, Oceania and North America, including Japan, Australia, New Zealand, the United Kingdom and Canada. She stressed that this cooperation would help to demonstrate the benefits of trade based on common rules and compliance with the World Trade Organization (WTO) framework.

She then spoke of the outcome of the summit with China, which marked the 50th anniversary of diplomatic relations between the EU and the People's Republic of China. Despite disagreements, the dialogue had remained constructive, and the Chinese authorities had shown appreciation for the clear and firm language of the EU. The PRESIDENT stressed that Chinese commitments would be assessed at the next summit.

As regards the themes that dominated the discussions, she first focused on access to the Chinese market. In this context, she deplored the continued exclusion of certain European companies from strategic sectors, such as medical devices, on the grounds of local purchasing preferences. She noted that the EU had mirrored this approach and stressed the need for reciprocal and fair market access.

Secondly, she touched on industrial overcapacity, in particular in the electric vehicle sector, which was heavily subsidised by the Chinese State, leading to exports to the EU at prices below the costs of production. The Chinese authorities themselves described this situation as 'involution' and had promised to rebalance their model by investing more in domestic consumption.

Thirdly, the PRESIDENT mentioned the control of critical raw materials, in particular rare earth elements used for permanent magnets, of which China was currently responsible for the bulk of global production. New export control measures had been put in place, but she explained that China had assured her that the EU was not being targeted and that it did not wish to cause any indirect harm. In order to deal quickly with the difficulties faced by European businesses, it was agreed to establish a direct contact point within the Commission's Directorate-General for Trade (DG TRADE).

Finally, the PRESIDENT noted that the issue of climate was an area in which cooperation between the EU and China was smoother. She welcomed the adoption of a joint declaration focusing on climate ambitions, and underlined the importance of updating Nationally Determined Contributions ahead of the COP30 in Belém, Brazil. She pointed out that, as major economic powers, the EU and China had a key role to play in ensuring compliance with the objectives of the Paris Agreement.

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

- a question on the implementation of the strategy based on regionalisation for agri-food exports to Japan, in particular regarding meat products, and the commitments made in this regard ahead of the summit;
- a reminder of the central role of the digital partnership with Japan, particularly in the areas of semiconductors, quantum technologies and artificial intelligence, and the importance of rekindling the High-Level Digital Dialogue with China in the autumn;
- concerns about the increasing difficulties European operators faced in accessing the Chinese market, in particular in telecommunications, and a call for a gradual rebalancing of the relationship, including by presenting a clearer position on the relevant projects in the EU and neighbouring countries;

- a question about the content of exchanges with China regarding geopolitics, in particular Russia's war against Ukraine, and the importance of continuing to send a strong message to China about its responsibility in this regard;
- the strategic convergence with Japan on key common priorities, including economic resilience, climate transition and the security of supply chains in a context of increased competition;
- the massive increase in imports of small parcels from China and their impact on European businesses, and a call to swiftly finalise the customs reform to strengthen the national authorities' ability to react.

As regards access to the digital market in China, the PRESIDENT noted a marked imbalance, illustrated by Huawei's market share in the EU, estimated at around 30%, compared with only 3.2% for European operators in China.

With regard to Russia's war against Ukraine, she explained that this issue had been extensively discussed in the exchanges with China. The EU had urged the Chinese representatives to use their influence to encourage Russia to return to the negotiating table. The Chinese authorities had expressed their reservations regarding their ability to influence the situation. The PRESIDENT reminded the College that the EU had taken the necessary measures to combat the circumvention of sanctions, including vis-à-vis Chinese banks, and stressed that China's attitude to this conflict would impact future bilateral relations.

The Commission took note of this information.

4. EU-US TRADE RELATIONS

The PRESIDENT briefed the College on the previous day's bilateral meeting with US President Donald Trump to discuss EU-US trade relations, which had been held in Scotland at his invitation. She thanked Mr ŠEFČOVIČ and the Commission

departments for their excellent preparatory work which had made it possible to secure an agreement.

Discussions had focused on three main areas: (i) customs tariffs, (ii) EU procurement of American goods, and (iii) European investment in the US economy.

The PRESIDENT reminded the meeting that tariffs had been in place since 2 April on imports arriving in the United States from the EU. The rates stood at 50% for steel and aluminium, 25% for automobiles and 20% for other imported goods, although, without a deal, this rate could rise to 30% on 1 August.

Following intensive negotiations, the parties had ultimately agreed on a single US customs tariff of 15% for all goods imported from the EU regardless of the sector concerned; this figure was the maximum rate, inclusive of all taxes. The tariffs for semiconductors and pharmaceutical products would be decided at a later date but would be capped at 15%. The deal also introduced ‘zero-for-zero’ tariffs on certain strategic goods, in particular for the aeronautics sector, certain chemical products, generic pharmaceuticals, agricultural products and certain critical raw materials. Lastly, it had been agreed that the - already low - EU tariffs that were currently in place on a selection of American industrial goods would be removed. The PRESIDENT welcomed this outcome, which was significant as it provided predictability and stability for European companies.

On the question of EU procurement of American goods, the PRESIDENT explained that discussions had focused on energy products, in line with the efforts made by the EU to wean itself off Russian fossil fuels. Russian fossil fuels could be replaced by American liquefied natural gas, oil and nuclear fuel, worth up to USD 750 billion in total over the next three years.

As for European investment in the US economy, the PRESIDENT pointed to the solid foundation that was already in place, and noted that it had been agreed that European companies would need to make direct investments in the United States totalling around USD 600 billion over the next three years.

Significantly, European standards in the digital field and those concerning food safety, the environment and the agricultural sector were not covered by the agreement with the United States.

Lastly, she stressed that this was a political framework agreement that would be followed by a more detailed joint statement to map out EU-US trade relations for the years ahead in a way that was predictable and beneficial for European companies. She stressed the need for the EU to continue to diversify its trade partnerships and mentioned the recent agreements with Mercosur, Mexico and Indonesia, as well as the ongoing negotiations with India and countries in the Indo-Pacific region.

Mr ŠEFČOVIČ stressed the comprehensive nature of the agreement, which left no room for interpretation or the unilateral introduction of additional tariffs. He was especially pleased that AI chips, worth an estimated USD 40 billion, were included as strategic purchases with the aim of supporting technological progress in Europe and the creation of centres of excellence in this field.

On the question of steel and aluminium, he pointed to the growing consensus between the EU and the United States on the causes of the structural issues affecting the sector, namely overcapacity in production by other global players. In that context, he noted that the parties would discuss the question of establishing tariff quotas subject to a preferential rate of 3%.

Mr ŠEFČOVIČ also explained that the European Parliament and the Council had been duly informed of the terms of the agreement, and he referred to the different positions put forward in these fora, as well as in the public arena. He stressed that the only possible alternative had been a no deal scenario. Inevitably, this would have led to a ramping up of trade measures on both sides before a return to the negotiating table several months later. The agreement that had been reached was therefore the only responsible and viable option in the current circumstances.

Lastly, he confirmed that the agreement was compatible with World Trade Organization (WTO) rules given the shared objective of beginning a new chapter in EU-US relations through a free trade agreement.

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

- broad support for the outcome of the negotiations, which was deemed to be balanced and which safeguarded the fundamental interests of the EU and its Member States and prevented an escalation of trade tensions and spiralling tariffs;
- acknowledgement of the role of the agreement in stabilising transatlantic relations and the certainty it gave European companies regarding their continued and predictable access to the US market;
- the need for the EU to continue work in parallel to expand its network of international trade agreements;
- the fact that US energy products would be purchased by private players and not by the Commission, and, with that in mind, the realistic nature of the projected volume of purchases for the coming three years, given the EU's growing need for liquefied natural gas, nuclear fuel and biofuels;
- on the change of direction with respect to the EU's energy supply, a question regarding its potential impact on energy prices and European competitiveness;
- the need for a clear and accessible public communication campaign to explain the concrete benefits of the agreement in the current geopolitical climate, including for the various economic sectors concerned;
- a question regarding the future customs tariffs on European pharmaceutical products against the backdrop of the ongoing US investigation into the national security impact of importing these products;

- the need to continue talks with the US administration in order to finalise implementation arrangements for the agreement, while ensuring that European rules remained intact, for example in the digital sphere or with regard to road safety;
- the importance of keeping European countermeasures on hold while waiting for the agreement to enter fully into force;
- the suggestion that the Commission departments should carry out an assessment of the agreement's impact on investment and employment levels in Europe;
- lastly, the belief that this step forward in EU-US trade relations needed to go hand in hand with efforts to bolster the EU's independence in terms of security and defence.

In response to some of the observations made, Mr ŠEFČOVIČ stressed that the US administration had treated the EU with respect during the negotiations, which had resulted in a pragmatic and balanced agreement. According to a preliminary impact assessment, the agreement had prevented the loss of 5 million jobs in the EU. He stressed the importance of first laying down the commitments entered into in a legally binding document and of then continuing to strengthen trade relations between the two blocs in specific sectors.

As for pharmaceutical products, he explained that the results of the investigation carried out by the US authorities were expected to be published in the coming weeks and that the agreed 15% tariff cap also applied to that sector.

Mr ŠEFČOVIČ confirmed the importance of active and effective communication to explain the concrete benefits of the agreement to EU citizens, as well as the potential consequences had the parties failed to secure a deal.

Lastly, he stressed that the EU needed to continue to diversify its trade relations with new partner countries and to step up dialogue with business delegations.

The PRESIDENT wound up the debate by recommending that the technical background note prepared by the Commission be sent to all Members of the College. Finally, she stressed the need to maintain European unity in negotiations with global partners, as this cohesiveness was a key driving force for collective progress on international trade and security matters.

The Commission took note of this information.

**5. PROPOSAL FOR A COUNCIL DECISION ON THE PARTIAL
SUSPENSION OF THE AGREEMENT BETWEEN THE EUROPEAN
UNION, OF THE ONE PART, AND ISRAEL, OF THE OTHER PART, ON
THE PARTICIPATION OF ISRAEL IN THE UNION PROGRAMME
HORIZON EUROPE – THE FRAMEWORK PROGRAMME FOR
RESEARCH AND INNOVATION
(COM2025) 620 AND /2; RCC(2025) 188)**

The PRESIDENT opened the discussion by reminding the College that she had visited Israel a few days after the attacks of 7 October 2023, a visit which had affected her profoundly. While unequivocally reaffirming that Hamas must be regarded as a terrorist organisation, she stressed the gravity of the situation in Gaza and highlighted the diplomatic efforts to get the Israeli authorities to restore humanitarian access to the people there. In this context, she felt that increased pressure from the EU was needed, and invited Ms ZAHARIEVA to present the proposal drawn up for that purpose in agreement with Mr SÉJOURNÉ.

Ms ZAHARIEVA stated that the discussion followed on from previous exchanges within the College, and while noting that it was important to tread carefully on this issue, she stressed from the outset the very balanced nature of the proposal. She reminded the College that Israel was a stable partner of the Horizon Europe programme, as its participation, which gave the country equivalent status to the Member States in the programme, dated back to 2021, and stressed that this

association brought mutual benefits. However, in view of the need to act in response to the alarming situation in Gaza and the indications of human rights violations, which constituted a breach of Article 2 of the Association Agreement, she was proposing to the College that day a partial suspension of the Agreement as regards Israel's participation in the programme.

This suspension specifically concerned the third strand, including participation in the European Innovation Council (EIC) and, in particular, access to funding offered by the EIC Accelerator, which supported innovative small and medium-sized enterprises. Ms ZAHARIEVA considered that the proposal addressed the concerns expressed by the European Parliament and several Member States about the potential for dual use of some of the innovative technologies funded by the Accelerator. Lastly, she pointed out that the suspension would cover only future grants and not existing agreements and would concern 20% of the financial flows to Israel under Horizon Europe; research collaboration would not be affected.

The College then held an exchange of views on the situation in the Middle East and the possibilities for EU action in the context of the dramatic deterioration of humanitarian conditions in Gaza.

Following these presentations, the Commission approved the proposal for a Council Decision in COM(2025) 620/2, for transmission to the Council and, for information, to the European Parliament and the national parliaments.

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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 16.47.