



Buffalo, New York 1 April 2026

NOTE

From: The SUNYMEU Student Leadership Team
António Costa, Ursula von der Leyen, Kaja Kallas, Thérèse Blanchet, and the
Cyprus Presidency

To: SUNYMEU2026 Delegations

Subject: AGENDA European Council, FAC, and ECOFIN (10-12 April 2026)

The General Secretariat (GS) of the Council of the European Union received 22 proposals to be included in the SUNYMEU agenda. The GS consolidated these submissions into 6 proposals as follows:

1. The Common Commercial Policy
2. Common Foreign and Security Policy/Common Defence and Security Policy (CFSP/CSDP)
3. Budget
4. Advancing the Single Market
5. Area of Freedom, Security and Justice (AFSJ)
6. Enlargement

The SUNYMEU Student Leadership Team has selected three proposals for discussion:

European Council: Enlargement

Foreign Affairs Council (FAC): Common Foreign and Security Policy/Common Defence and Security Policy (CFSP/CSDP)

Economic and Financial Affairs Council (ECOFIN): Advancing the Single Market

The following proposals will be submitted as 'Alternative Agenda Proposals'.

- The Common Commercial Policy
- Budget
- Area of Freedom, Security and Justice (AFSJ)

AGENDA PROPOSAL FOR THE EUROPEAN COUNCIL

ENLARGEMENT/ACCESSION

Proposed by: Cyprus and Hungary

Background

In 2026, the security situation in Europe is dire and unpredictable. Now, more than ever before, the EU is in need of strategic enlargement, particularly one aimed at gaining powerful members who have strategic value. With the withdrawal of the United States from its duties as guarantor of Europe's security, the rapidly escalating tensions in the Middle East, and a war raging in the Donbass region of Ukraine, enlargement and welcoming of new members into the EU is absolutely crucial, and it is important for the EU to gain as many members right now as possible, and as soon as possible.

The EU determined that Ukraine met the Copenhagen Criteria, and granted them candidate status on June 23, 2022. Ukraine is currently in accession negotiations with the EU. As of March of 2026, the EU recognizes that Ukraine has met the requirements to open several clusters, but is yet to have received unanimous support from all Member States of the EU. Another major issue standing in the way of the Ukrainian accession is the status of war with Russia. (Ukrinform)

https://enlargement.ec.europa.eu/system/files/2022-10/eu_accession_process_clusters%20%28oct%202022%29.pdf

Turkey holds great strategic importance to the region due to its location and military capabilities, but its ascension into the EU is blocked by the issues of questionable civil rights and political freedoms within their nation, as well as the Cyprus problem, which must be resolved. (CIRSD)

Moldova is strategically important as a nation that borders the unrecognized state of Transnistria, backed by Russia.

Norway and Iceland hold value to the European Union as states in proximity to Russia and the United States respectively, but have economic concerns about joining the EU, primarily due to the Common Fisheries Policy's potential impact on their fishing-dependent economies. (Reuters)

Recommendations:

1. Conditional Accession Framework for Turkey
 - a. Resume structured accession negotiations with Turkey under a revised conditional framework based on democratic reforms and compliance with EU fundamental rights standards.

b. Require progress toward a comprehensive settlement of the Cyprus Problem as a prerequisite for membership negotiations to advance, emphasizing the importance of achieving an enduring, comprehensive, and just settlement based on a bicomunal, bizonal federation with political equality, based upon the UN Security Council resolution 2815 of January of 2026.

c. Facilitate a United Nations-supervised referendum in both communities of Cyprus on a revised reunification framework modeled on the principles of the Annan Plan. Turkey would commit to recognizing and implementing the outcome of the referendum, including the withdrawal of military forces and guarantees where agreed. The European Union would support the process through diplomatic mediation, economic incentives, and post-reunification integration assistance.

d. Establish an EU-monitored Human Rights Oversight Mechanism within Turkey to ensure compliance with EU democratic norms, judicial independence, and press freedoms. This will involve strict oversight of Turkey's progress.

e. Recognize Turkey's strategic role in European security due to its geographic position bridging Europe, the Middle East, and the Black Sea region, as well as its military capabilities within the transatlantic alliance.

Refer to European Commission Directorate-General for Neighbourhood and Enlargement Negotiations, EU Enlargement Framework, and United Nations Cyprus Peace Process

2. "Membership-Lite" Status for Ukraine

a. Establish a phased integration approach under the outlines of "Reverse Enlargement" for Ukraine while the country remains engaged in active conflict with Russia.

i. Grant Ukraine representation in select EU institutions and advisory committees.

ii. Full financial integration will not be granted, including access to cohesion funds and the Common Agricultural Policy (CAP).

iii. Grant immediate access to the single market.

iv. Establish full integrations with the EU energy union.

v. Full telecommunication integration, including roaming systems.

vi. Visas will still be required for Ukrainian nationals to travel within the EU.

vii. Ukraine will not have voting rights until full accession.

b. Provide a pathway toward full membership once security conditions stabilize and accession chapters are fully implemented.

c. Ensure that the phased integration approach is in place by 24 August 2026, which is the 35th anniversary of Ukraine's Independence Day.

Refer to European Union Enlargement Agenda (2024-2029)

3. Accelerated Accession Negotiations for Iceland

- a. Support the fast-tracking of Iceland's accession negotiations due to its existing economic integration with the EU through the European Economic Area.
- b. Initiate negotiations on adaptations to the Common Fisheries Policy to accommodate Iceland's fisheries-dependent economy.
- c. Promote Iceland's integration into EU energy and climate policy initiatives, particularly renewable energy cooperation in the North Atlantic region.

Refer to European Parliament Committee on Fisheries

4. Structured Accession Framework for Norway

- a. Encourage renewed accession discussions with Norway based on its extensive participation in the EU Single Market through the European Economic Area.
- b. Establish transitional provisions allowing Norway to gradually integrate its fisheries and maritime industries into the EU regulatory system.
- c. Promote enhanced EU-Norwegian cooperation in Arctic security, energy policy, and maritime resource management.

Refer to European Commission Directorate-General for Maritime Affairs and Fisheries

5. Strategic Accession Support for Moldova

- a. Prioritize Moldova's accession process due to its strategic location bordering Ukraine and the Russian-backed separatist region of Transnistria.
- b. Provide additional EU funding to support judicial reform, anti-corruption measures, and institutional modernization.
- c. Expand EU security cooperation to strengthen Moldova's resilience against hybrid threats and foreign interference.
- d. Encourage infrastructure investment and economic integration to accelerate Moldova's alignment with EU economic standards.

Refer to European External Action Service Eastern Partnership Programs

- 5. The European Council notes the importance of increased transparency in the use of pre-accession funds, with a special role for the European Court of Auditors, working with candidate states' auditing officials.
- 6. The Union should create objective non-politicized rule-of-law criteria that clearly define standards for the protection of minority rights and national identities within candidate countries. Candidate countries failing to meet these standards must not be allowed entry into the EU.

a. Ensure national legislation complies with EU standards based on the Venice Commission's recommendations, ensuring identity preservation and non-discrimination (i.e. education in the mother tongue).

Works Cited

Ukrinform. "Zelensky on EU Accession: Ukraine Will Be Ready to Open All Negotiation Clusters within Days." Ukrinform, March 2, 2026. <https://www.ukrinform.net/rubric-politics/4097259-zelensky-on-eu-accession-ukraine-will-be-ready-to-open-all-negotiation-clusters-within-days.html>.

"The Cyprus Problem, the EU and the UN." CIRSD, February 2, 2026. <https://cirsd.org/horizon-article/the-cyprus-problem-the-eu-and-the-un/>.

Iceland plans now or never referendum on EU negotiations | Reuters. Accessed March 8, 2026. <https://www.reuters.com/world/iceland-plans-august-29-referendum-eu-talks-broadcaster-ruv-reports-2026-03-06/>.

AGENDA PROPOSAL FOR THE FOREIGN AFFAIRS COUNCIL

Common Foreign and Security Policy (CFSP)/Commons Security and Defence Policy (CSDP)

Enhancing European Defence Cooperation and Industrial Capacity for Strategic Security

Proposed by: Austria, Belgium, France, Germany, Netherlands, Romania, and Spain

Background

The European Council recognises the Union has made substantial progress in jointly increasing defence capacity. Nevertheless, lack of financing, inadequate levels of joint procurement, and insufficient interoperability continue to be obstacles to developing a European-based and controlled defence profile.

Industrial Capacity and Financing

1. The European Council notes that between 2019 and 2021, European countries accounted for 27.83% of foreign sales' exports from the US. Since Russia's invasion of Ukraine, and despite efforts by the European Union to decrease dependency on the US for armaments and support integrated European defence production, today 55% of all European arms imports originate in the US. This lack of progress undermines the Union's goals of interoperability, cutting edge R&D, and decreasing dependence on the US, and making our platforms more secure and less sensitive to the whims of an increasingly polarized international world. Recognising the budgetary exigencies and obligations in complying with the Stability and Growth Pact (SGP) and the dictates of the Excessive Deficit Procedure (EDP), that Member States have not made sufficient progress in achieving European self-sufficiency in the weapons industry, remaining mindful of European solidarity, and the Union's commitment to the European Social Model (ESM), the Union recognises the critical importance of financial support to achieve the Union's defence goals.

2. The European Council recognises the criticism that Union financing has become too complicated, disjointed, and unwieldy. The European Council acknowledges there are seven distinct programmes financed by various sources, with various purposes and rules, and remain inadequate. The programmes of concern are:

[The European Defence Fund](#) (Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021) in 2021) supports research and development in

defence and promotes interoperable defence technology and equipment. Funds are from the EU budget. €8.8 billion for the 2021-2027 MFF. Ukraine has been associated with the EDF since 18 December 2025.

The European Defence Industry Programme (EDIP), launched in December 2025, has made available €1.5 billion in the form of grants to boost Europe's defence readiness in the period 2025-2027.

The Connecting Europe Facility finances military mobility projects (infrastructure for civilian and military use). It has a budget of €1.76 billion in the MFF 2021-2027.

Ammunition Production (ASAP) is a temporary facility financed from the EU budget to stimulate the production of explosives, power, shell, missiles, and testing and reconditioning certification. This is €500 million and financed through the EU budget.

The European Peace Facility (EPF) established by the Council in 2021, facilitates delivery and joint procurement of ammunition and missiles for Ukraine and other third countries under the Common Foreign and Security Policy (CFSP). The EPF is financed directly by Member States, with contributions determined based on a GNI distribution key. The EPF has a financial ceiling of €17 billion.

European Defence Industry through Common Procurement (EDIRPA). Approved in 2023, EDIRPA has a budget of €310 million in the MFF 2021-2027. This fund is designed to incentivise Member States to procure defence products jointly.

SAFE. The ReArm Europe Plan/Readiness 2030 is increasing defence investment across the Union by creating a single market for defence industries and contracts and to do so by improving coordination among Member States. Council Regulation (EU) 2025/1106 27 May 2025 established the Security Action for Europe (SAFE) through the Reinforcement of the European Defence Industry Instrument is the financial component of ReArm Europe. Under SAFE, €150 billion in loans, at low interest rates, are available from 2025-2030 to EU Member States for the acquisition of high-priority, EU-produced defence equipment. The European Council acknowledges that Member state requests through the SAFE program have already exceeded €150 billion in its less than one year in existence.

3. The European Council invites the General Affairs Council to consider a plan to integrate the following defence related budgetary items into the European Defence Fund: EDIP, ASAP, Connecting Europe, and SAFE into the EU budget in the MFF 2028-2034. Each will remain a separate budgetary line in the EDF. The European Peace Facility should remain outside of the EU's budget and funding continued under its current scheme.

4. Recognising the findings of the Draghi Report and the lack of funding for basic research for defence related purposes, the European Council invites the Commission to propose a Defence Advanced Research Projects Agency (DARPA) that will focus on basic research of a wide ranging nature with implications for defence. DARPA will be set up as an independent agency and located in an EU Member State. It will be provided financing in the 2029-2034 MFF.

5. The European Council calls upon the Defence Council to begin discussions to extend SAFE financing permanently to ensure more cooperation in defence planning and procurement among the Member States. SAFE should be integrated into the EU's budget.
6. The European Council directs the Defence Council and ECOFIN to begin negotiations to increase the European Defence Fund in the next MFF (2028-2034) from its current amount of EURO 8.8 billion (after the mid-term revision of the MFF) to EURO 16 billion. The SAFE funding will account for €400 billion of this fund. Funding will be prioritized to Member States that have made substantial progress in meeting NATO defence spending targets.
7. The European Council is mindful of new spending to support defence readiness. Accordingly, the European Council invites the European Defence Agency (EDA) to compile a report that describes how EU defence funds allocated by the MFF are used to keep spending in check.
8. The European Council agrees to fully fund EDF through a new EU corporate tax. The European Council invites the Commission to publish a White Paper no later than 1 December 2026 with implementation details of the new EU corporate tax.
9. In July 2025, the Council approved a waiver of the Excessive Deficit Procedure (EDP) under the Stability and Growth Pact of 1.5% of GDP for defence purposes over a four-year period (2025–2028). While some Member States have been approved under this waiver programme, the Council should consider, without prejudice, permitting all Member States to deviate from SGP requirements for defence spending through this period. This waiver should be extended to 2035, the year in which all NATO members must allocate 5% of their GDP on defence-related expenditures.
10. Mindful of economic disparities within the Union, the European Council calls for a new category of Cohesion Funds to be used for defence projects. Defence spending is appropriate because cohesion funds are used to reduce disparities that disadvantage Member States with lower per capita incomes.
11. The European Council invites the European Central Bank (ECB) to issue “European Defence Bonds,” collateralized by the EU budget. This bond issuance will be followed by a report of this pilot programme to the Council, which will report to the European Council on its success and recommend strategies for improvement. Allocations to Member States of these funds will be made on the principle of a *pooled ownership* (level of member state investment in defence programs) rather than a budgetary *just retour* basis.
12. Mindful of this pooled investment strategy, a minimum of four EU Member States must participate to receive funding. Participation includes R&D, testing, joint production of equipment, evaluation for new upcoming military technologies, and joint procurement programs.
13. The European Council invites the European Investment Bank (EIB) to continue its lending for security and defence. The European Council notes that the EIB has significantly expanded its

lending for security and defence, quadrupling its financing to €4 billion in 2025 and setting a target of at least €4.5 billion for 2026. It is important that this target be met. A new target of €5.0 billion is recommended for 2027.

14. The European Council highlights the problem of hidden costs in establishing an integrated European market for armaments, particularly double VAT taxation of military equipment when it is manufactured in one Member State and sold to another. The European Council invites the Commission to develop a common cross-border procurement rule ensuring military equipment is subject to only VAT assessment. The European Council also invites the Commission to consider the financial impact of waiving VAT levies on all armament production for weaponry produced under the SAFE program.

15. The European Council recognizes European defence vulnerability arising from high-tech equipment and hardware that rely on non-EU countries and carry a black box dependency. Under foreign supplier export laws, particularly with respect to imports from the US, Member States cannot modify, fix or share the equipment without permission of the origin country. The European Council deplors this continued obstacle to European strategic autonomy. The European Council also recognises future obligations under the Made in Europe initiative. The European Council, therefore, invites the Commission to review the SAFE Regulation that 35% of the total cost of the end product can be produced outside of the EU to consider the feasibility of a lower content threshold such as 25%.

16. The European Council is disappointed by the inadequate progress among the Member States in integrating European military capacity. The European Council reminds the Member State of the legal framework enabling defence cooperation, which is granted and supported by the Common Security and Defence Policy (CSDP) and the mutual defence clause established in Article 42(7) Treaty on European Union (TEU). The European Council urges the Member States to take full advantage of Permanent Structured Cooperation (PESCO) particularly in coordinating the Union's defence capability through improving military cooperation.

Recommendations

17. The European Council reminds the Member States that all procurement practices should focus on the European defence industrial market and production in its majority. The Council reaffirms that the 35% of the costs cannot be exceeded when contracting/purchasing with countries outside of the Union. Also, suggests:

- a. A new regulation that requires that 75% of the costs of production must be European (under the council definition of "European"), seeking that the single European industrial defence market could be developed and properly exploded.
- b. Having considered that all external costs will not exceed 25% of the costs of production, mindful of the gaps between Member States as well as the relevance for the stability of this single defence market.

18. The European Council is deeply concerned that existing mechanisms like: NATO, the Coordinated Annual Review on Defence (CARD), the Capability Development Plan (CDP) and

the EDA, were primarily established with the purpose of capability enacting, coordination and planning, not for any type of scale or massive financial purposes, or with an industrial integration to strengthen Europe's defence capacity. The EU has attempted for over 15 years to build a unified defence market along the lines of the internal market. This has been problematic because TEFU Article 346 exempts goods and services related to national security from internal market rules. National defence traditions (e.g. neutral states), the costs of switching to a new armament standard, defence industrial nationalism, and capture of procurement agencies by national industrial interests undermine the ability of the EU to establish a single market for the defence industry. As a result, notwithstanding the availability of cooperation platforms such as the EDA, home bias in defence procurement remains very high. Given Article 346, the European Council agrees the only recourse is for a 'coalition of the willing' to negotiate an extra-EU treaty. Furthermore, an extra-EU treaty would permit non-Member States with high defence capability, such as the UK, to join in establishing an integrated European defence industry.

19. The European Council recommends the establishment of an intergovernmental agreement or treaty to facilitate joint procurement, coordinate the development of strategic enablers, and support establishment of a European single defence industrial market. The agreement will be named the European Defence Mechanism (EDM).

- a. Membership should and will be open for all Member States, as well as for all EU candidate states and the United Kingdom to participate in collective defence industrial cooperation.
- b. The European Union could and will participate as an external shareholder, which will be represented by the European Commission.
- b. Membership/contributions will consist of paid-in capital and callable capital guided by each member's economical capacity, in order to determine their capacity to support large and important defence programs and contracts.
- c. Having reviewed the participation of each member, decision-making in policies, research, and development will be made based on member state shares.
- d. The EDM would not replace instruments currently in existence such as EDF, but will create and develop the single market for armaments in Europe, as well as supporting the gap between Member States allowing for the coordination of large-scale defence projects and investments, as well as achieving industrial integration.

Defence Readiness

20. The European Council, fully aware of the need to be aware of defence readiness, a future integration of armed forces from all Member States to strengthen Europe's collective defence will need to be implemented. Acting under Article 42.7 of the TEU, the European Council requests the Council of the European Union, composed of member state defence ministers, to develop a roadmap for an advanced integration acting upon the Permanent Structured Cooperation (PESCO) of the Common Security and Defence Policy (CSDP) launched in 2017. A gradual creation and implementation of a European Defence Force (EDF) could align with

NATO guidelines and contribute to the territorial defence integrity of the Union. Therefore, the European Council calls for the creation of a unified European Union military, which will be named the 'European Defence Force' (EDF). The EDF will entail:

- a. A centralized EU military command structure responsible for coordinating joint operations and rapid response missions.
- b. Mandatory troop contributions from Member States before transitioning to a permanent EU force.
 - i. Requiring at least 0.25% of each nation's population to volunteer for the force.
- c. The EDF will be funded by the EDA (see financing, above).
- d. Deploy the EDF primarily for crisis response, border defence, peacekeeping missions, and the protection of EU Member States.
- e. Create an EU Rapid Response Force (RRF) within the EDF.
 - i. Develop a permanent, quickly deployable force within the European Union that can respond to crises within 24–72 hours.
 - ii. Station units in strategic locations around the EU, including the Mediterranean region.
 - iii. Use the RRF for disaster response, conflict prevention, and protection of EU infrastructure.

21. Conscious of the capability gap among Member States in establishing the EDF, the European Council invites the Council to undertake a comprehensive report that will assess all 27 Member States capacities and feasibility for establishing the EDF. The report should address the following concerns:

- a. A comprehensive inventory of European defence capabilities. Such inventory will cover all 27 Member States and other possible members, such as Norway and the UK.
- b. Recall the recommendation for a unified command and control structure, noting the possibility of reporting future guidelines to the European Council in coordination with EU military bodies and operations acting under the CSDP.
- c. Taking into consideration the integration of strategic basing by identifying locations for future European Facilities that will help enhance and produce a more rapid deployment capabilities, as well as strengthening the defence capabilities of the Union. Current bases could serve a similar purpose.
- d. Contemplate a reform of current EU Battlegroups by potentially transforming the current rotating formations under a permanent and more effective standing force focusing on the capacity of a rapid and prompt response. Acting under the idea to build a more integrated capacity of defence for Europe, this body recommends the following:

- i. Soldier recruitment from across EU Member States, which will create multinational units considering that this will enhance interoperability and a shared military identity.
- ii. Development of a common European military doctrine, focusing on military training standards, and operational procedures.
- iii. Appeals to create an integration of pathways for smaller Member States, that will allow them to pool their capabilities and incorporate national units that will enhance the multinational European formations to reduce coordination conflicts and reduce the gap between Member States as well.
- iv. Consider sustainable funding mechanisms to support the long-term operations and development for the establishment of a future standing European force.
- v. Explore opt-out mechanisms for neutral Member States that will help maintain and provide a shared burden sharing, based upon their financial contribution.

22. Authorize the European Council President, the High Representative and the Commission President to meet with France to initiate discussions about extending France's *force de frappe* as a credible force for deterring attacks against EU Member States.

CFSP

Iran

Recommendations

1. Developments in Iran and the wider region threaten regional and global security. The European Council calls for de-escalation and maximum restraint, the protection of civilians and civilian infrastructure and full respect of international law by all parties, including the principles of the United Nations Charter and international humanitarian law. In this regard, it calls for a moratorium on strikes against energy and water facilities. The European Council deplores the loss of civilian life and is closely monitoring the far-reaching impact of the hostilities, including on economic stability.
2. The European Council strongly condemns Iran's indiscriminate military strikes against countries in the region and expresses its solidarity with countries affected. It calls on Iran and its proxies to immediately cease these attacks and respect the sovereignty and territorial integrity of countries in the region, in line with UN Security Council Resolution (UNSCR) 2817, which should be fully implemented. The European Council

underlines the importance of concerted action to help partners strengthen counter-drone and air defence capabilities. In that context, it welcomes Ukraine's readiness to provide support and expertise in air defence and counter-drone systems to Gulf countries.

3. The European Union stands firmly and unequivocally in support of Member States close to the region. It welcomes the support provided by Member States in this regard, in particular through the deployment of military assets in the Eastern Mediterranean and in support of Cyprus. The European Council acknowledges the intention of Cyprus to initiate a discussion with the UK on the UK bases in Cyprus and stands ready to provide assistance as needed.

4. The European Council highlights the role of the EU maritime defensive operations EUNAVFOR ASPIDES and EUNAVFOR ATALANTA, and calls for their reinforcement with more assets, in line with their respective mandates.

6. The European Council also welcomes the increased efforts announced by Member States, including through strengthened coordination with partners in the region, to ensure freedom of navigation in the Strait of Hormuz, once the conditions are met.

7. The European Union will continue to protect its security and interests, working with regional and global partners to counter the impact of the ongoing hostilities. The European Union and its Member States are taking all necessary steps to ensure the safety of EU citizens in the region, including by providing conditions for their safe departure.

8. The European Council invites the Commission to continue to report to the Council on the potential impact of recent developments for the EU in terms of energy security and energy prices, supply chains and migration, and to propose measures as appropriate. It also calls for coordination at EU level, including on the possible impact on internal security.

9. The European Union will continue to engage with partners in the region to contribute to de-escalation and regional stability. It stands ready to contribute to all diplomatic efforts to reduce tensions and to bring about a lasting solution to end the hostilities, prevent Iran from acquiring a nuclear weapon and put an end to its destabilising activities, including its ballistic missile programme.

10. The European Council reiterates that Iran must never be allowed to acquire a nuclear weapon and that it must comply with its legally binding nuclear safeguard obligations under the Non-Proliferation Treaty. The European Council urges Iran to resume full cooperation with the International Atomic Energy Agency.

11. The European Council calls on the Iranian regime to cease the violence and repression against its own people. It calls for the respect of the universal human rights and fundamental freedoms of the Iranian people, including the right to choose their own future

Ukraine

Recommendations

1. The European Council invites the European Commission to further consider the distribution of the Russian frozen assets to various EU Member States.
2. The European Council invites the Court of Justice of the European Union to create a legal mechanism, which labels the frozen assets as immobilized until Russia initiates a legally recognized reparations process, under which all of the assets would go towards rebuilding Ukraine.
3. The European Council invites the European Commission to coordinate with the Council of the European Union to establish a framework for participating Member States to safely share liability over used assets.
4. Suggests the European Commission examine the use of solely extraordinary revenues to aid Ukraine, rather than the sovereign assets in order to:
 - a. Aid Ukraine's military in defending unoccupied areas;
 - b. Provide essential relief to families and individuals directly affected by the ongoing air strikes;
 - c. Eventually reconstruct Ukraine's vulnerable and destroyed infrastructure.

AGENDA PROPOSAL FOR THE ECONOMIC AND FINANCIAL AFFAIRS COUNCIL

ADVANCING THE SINGLE MARKET: Competitiveness & Simplification, Industrial Acceleration, Energy Union, Savings and Investment Union, and Affordable Housing

Proposed by: Austria, Belgium, Cyprus, Estonia, France, Hungary, Malta, Slovakia, European Commission

Background

In the current global context, the pursuit of the European Union's objective of a 'highly competitive social market economy' requires a renewed determination to boost the Union's competitiveness, increase its resilience and enhance its strategic autonomy and economic security, sustaining Europe's prosperity and social model. The European Union is increasingly competing in strategic technological sectors such as artificial intelligence, advanced manufacturing, and clean energy technologies. European leaders have warned that the future of economic growth will depend on maintaining technological leadership over the United States and China. While the United States and China lead global venture capital investment in frontier artificial intelligence systems, the Union is not far behind in productivity gains driven by emerging technologies across firms and sectors. The European Central Bank (ECB) reports that AI is powering productivity improvements across European businesses, including small and medium-sized enterprises.

Simplification

Recommendations

1. In the current global context, the pursuit of the European Union's objective of a 'highly competitive social market economy' requires a renewed determination to boost the Union's competitiveness, increase its resilience and enhance its strategic autonomy and economic security, sustaining Europe's prosperity and social model.
2. The European Council recognises the legislative progress made in the 10 Omnibus work packages passed in 2025 for a total estimated cost savings reduction in recurrent administrative costs of €11.9 billion and other simplification proposals for a total net of recurrent cost savings of €15 billion.

Completing the Single Market

3. The European Council has decided to launch a 'One Europe, One Market' agenda, to be implemented in 2026 where possible and by the end of 2027 at the latest.

4. The European Council calls on the European Parliament, the Council and the Commission to urgently implement this agenda, including in the light of the recent letter from the President of the Commission, and will regularly review progress on all strands, providing additional strategic guidance when needed. The European Council expects progress by the end of 2027 in the following areas:

5. Pharmaceuticals

- i. Once a drug is approved by a Member State or the European Medicines Agency (EMA), its pricing and availability will be standardised across the Union.
- ii. Patent protection for EU-based drugmakers will be extended beyond the statutory limit of 20 years plus the 5 years for clinical trials to 25 years plus up to 8 years supplemental for clinical trials. This extension recognises the costs to Member State health care systems, which operate under the principle that access to medicines is a human right and fundamental to the European Social Model (ESM).

6. Professional Qualifications

- i. Enhancing free movement of workers by improving mutual recognition of professional qualifications and strengthening the portability of qualifications and skills across national borders, including through digitalisation and interoperability, on the basis of a Commission proposal to be presented by autumn 2026. The European Council recognises the progress made in credential portability in several professions, especially health care, finance, engineering, and IT. The European Council urges the Commission, the Council, and the Parliament to develop a Union-wide license for the skilled trades, especially plumbers and electricians.

7. Corporations

The European Council supports the Commission's proposal to streamline the process for establishing corporations and raising capital.

- a. The European Council reiterates its support for a 28th regime for establishing corporations in the Union.
- b. Endorses the name 'EU Inc.' over alternative names for the 28th regime
- c. Urges the Council and Parliament to act expeditiously on the Commission's proposed regulation to establish the 28th regime.

8. Corporate Tax Regimes.

- i. Invites the Commission to establish a harmonised EU corporate tax regime that will be applicable to all EU Member States.
- ii. Invites the Council to begin negotiations for an EU-wide corporate tax.

iii. For those Member States willing to proceed with an EU-wide corporate tax regime and corporate tax, this coalition of the willing should proceed under enhanced cooperation.

9. The European Council reiterates its support for European innovations in leading edge sectors.

i. The European Council encourages the European Innovation Council (EIC) and Horizon Europe programs to prioritize funding for strategic technological sectors, including AI, cybersecurity technologies, and advanced digital infrastructure.

ii. The European Council asks the EIC and Horizon Europe to prioritise EU research investment in post-quantum cryptography, encryption technologies, and AI security, in response to emerging technological risks identified in private-sector threat research.

iii. The European Council encourages collaboration between EU research institutions, startups, and private-sector partners to accelerate innovation in strategic technologies while maintaining European technological competitiveness.

iv. Programs should be financed through existing funding allocations from Horizon Europe, the Digital Europe Programme, and the European Innovation Council.

Public Procurement - Made in Europe

1. The European Council commends the Commission's recent Industrial Acceleration Act (IAA) proposal and the emphasis on Made in Europe industrial policy through the International Procurement Instrument (IPI).

2. The European Council invites the Council and Parliament to agree expeditiously to the IAA, particularly with respect to:

a. Setting new thresholds for EU content in public procurement.

i. Member States are asked to set a threshold of 60% of EU content for the invoiced cost of the good in energy intensive industries (cement, cement, aluminium); a 70% EU content for EVs; and a 65% EU content for clean tech (storage batteries, wind, solar, pumps, nuclear). These thresholds will be phased in over a 10-year period beginning with the passage of the IAA by the co-legislators.

ii. The threshold must also consider EU employment costs, with 60% of the labour costs of the invoiced product or service deriving from EU workers.

iv. Member States should be required to have a central permitting process (one-stop permitting).

v. EU candidate countries and other European countries may receive an EU-content waiver if they are accepted as green partners with respect to the particular product or service. No non-European countries will be considered for this programme.

a. The European Council supports waiving the threshold requirements in public procurement in contracts with the EU's Small and Midsize Enterprises (SMEs) in the digital cyber security

industry until such time as the Commission determines there is sufficient industrial capacity in the Union.

2. The European Council recommends a lower IPI threshold from €15 million in concessions to €10 million and IPI threshold from €5 million to €4 million for non-concession contracts.
3. The European Council expects the Commission to establish an IPI enforcement unit in the Directorate General for Trade to monitor procurement barriers EU companies experience in foreign markets and to support efficient enforcement investigations and reciprocal actions.
4. The European Council wishes to emphasize its support for SME competitiveness in procurement contracts. The co-legislators are urged to establish requirements for splitting public contracts to support EU SMEs. Further, introduce an oversight mechanism to ensure division requirements are met.

The European Union Energy Union

Background

The EU must continue to pursue energy sovereignty while increasing its reliance on clean, affordable energy. Member State reliance on Russian energy, which previously accounted for the EU's largest share of energy imports before Russia invaded Crimea in 2014. Energy diversification in the Union was well underway by the time Russia attacked Ukraine in 2022, demonstrating that a careful strategy of diversifying energy suppliers while promoting renewal, clean energy is possible. The Union's pivot from dependence on Russian energy continued when 26 January 2026, the Council and Parliament adopted a regulation banning all Member States from purchasing Russian pipeline and natural gas imports. As a consequence of the pivot from Russian dependence, the EU has increased its dependence on American energy, with natural gas imports totaling €70 billion in 2024. By 2030, the US will supply 80% of the EU's LNG imports. Overreliance on suppliers outside of the Union for basic needs such as energy and agriculture undermines the ability of the Union to leverage the power of its large and dynamic internal market in global negotiations over such matters as trade and climate change.

Furthermore, overreliance on LNG undermines the Green Deal's objectives, particularly the goals articulated in the Fit by 55 package. This is because the EU lacks adequate storage for large amounts of LNG, and its environmental impacts are more harmful than those of coal over the long term.

Furthermore, the high costs of energy are negatively impacting the Union's competitiveness in global markets; for example, in 2023, both EU gas and industrial electricity prices were higher than in the United States, at 345% and 158%, respectively. The US and Israel attacks on Iran are further exacerbating this competitiveness gap.

The European Union has implemented several directives and regulations to help ensure the safety of crude oil pipelines and reduce the risks associated with transporting hazardous materials. Examples include the Seveso Directive, which regulates major accident hazards

involving dangerous substances, and the Gas Directive, which establishes rules for the EU's internal natural gas market. As a result, this body of laws has helped establish a legal framework for adhering to safety protocols and managing risk. However, one problem the EU has faced is geopolitical tension, and the ongoing need for energy independence among Member States, particularly with respect to dependence on Russian oil and natural gas. More pipelines are needed to continue the pivot from Russian oil and natural gas dependence.

Recommendations

1. The European Council recognises the progress made under the RePower EU, launched in May 2022, to fully end the Union's dependence on Russian energy by stopping the import of Russian gas and oil and phasing out Russian nuclear energy, while ensuring stable energy supplies and prices across the Union. Imports of Russian gas have decreased from 150 bcm in 2021 to 52 bcm in 2024 – with the share of Russian gas imports dropping from 45% to 19%. All imports of Russian coal have been banned by sanctions; oil imports have shrunk from 27% at the beginning of 2022 to 3% now. In nuclear, Member States that are still using Russian-designed VVER reactors have made progress in replacing Russian nuclear fuel with fuel from other producers.
2. The European Council recognises progress in the Union's goal of achieving diversification in energy supplies and wishes to encourage Member States to remain vigilant in achieving this goal by considering the following measures:
 - a. Fast tracking the Energy Highways initiative
 - b. Obtaining more oil and natural gas from Norway.
 - b. Recognising the Commission's progress in negotiating the SouthH2 Corridor project with Algeria. The European Council reiterates its acknowledgment of the important role Algeria continues to play as a supplier of natural gas and hydrogen to the EU and the EU's commitment to assist Algeria in modernising its energy infrastructure.
 - c. Inviting the Commission to explore expanding the Adria Pipeline and present the results of this study by December 2026. This study should include:
 - i. Consultations with impacted Member States (Croatia, Hungary, and Slovakia) and energy companies
 - ii. Consider the feasibility of the European Investment Bank in providing funding to support the modernization and expansion of the Adria Pipeline and other infrastructures, such as crude oil refineries in the impacted Member States.
 - iii. The European Council urges increased energy coordination among impacted Member States to ensure efficient use of the Adria Pipeline and crisis response systems in the event of attacks on the Adria Pipeline.
3. The European Council commends the Member States for submitting energy diversification plans to meet the goals of RePowerEU.

4. The European Council invites the Commission to provide an update on the European Grids Package and the Energy Highways Initiative, particularly with respect to the financial needs to undertake the targeted projects.
5. Encourage the Union to continue progress on developing storage for solar and wind energy:
 - a. create a new Important Project of Common European Interest (IPCEI) focused on expanding photovoltaics and next-gen lithium-metal batteries.
 - b. An allocation of €15 billion from the IPCEI is needed to expand SOLiD battery manufacturing and establish factories better suited to producing this product. Current costs would be significantly reduced if advanced manufacturing techniques such as thin-film lithium deposition were implemented on a wider scale.
 - c. Ensure factories have sufficiently trained workers in these manufacturing techniques through the Pact for Skills program.
 - d. Establishment of a framework that encourages factory manufacturing completion by 2030.
 - e. Following the mass production of SOLiD batteries, establish a plan for their implementation and integration in high-energy industrial sectors, such as chemical and petrochemical production.
6. The European Council directs the Commission to consider the impact on European competitiveness in the global market when assessing merger and acquisition applications in the energy and battery manufacturing sectors.
7. The European Council reminds the Member States to remain dedicated to achieving the Green Deal's targets, including those codified in the Fit by 55 package.
8. The European Council encourages Member States to expand domestic photovoltaic installation and streamline construction permitting for private use in line with Fit by 55 goals. The European Council reminds the Member States that Green Deal legislation permits subsidies to incentivize business and construction to install photovoltaic systems and adoption of solar energy storage batteries. The European Council invites the Commission to submit a Solar Permit Directive, setting maximum wait times for solar permits.
9. The European Council recognises the progress made in non-carbon based, reliable energy production. Reiterating the inclusion of electricity generated by nuclear power plants as qualifying as a green energy, the Union has made some progress in this area. By 2024, nuclear power generated 649,524 gigawatt-hours of electricity in the Union, an increase by 4.8% compared to 2023 with nuclear power plants accounting for 23.3% of the total electricity production.
 - a. Implement the European Strategy for Small Modular Reactors to accelerate the development and deployment of Small Modular Reactors (SMRS) and Advanced Modular Reactors (AMRs)

- b. Invites the Commission to create a “SMR coalition” for interested EU countries to advance regulatory and economic cooperation for SMR projects.
12. The European Council encourages the Member States to develop more cross-border cooperation in: electricity grid systems and trading, LNG terminals and gas interconnectors, and renewable energy generation capacity, which would improve market integration and reduce price unpredictability.
13. The European Council invites the Commission to continue to monitor and encourage transparency in energy pricing mechanisms.
14. Promote close regulatory cooperation following the Green Deal Industrial Plan to aim for overall strategic net-zero technologies manufacturing approaches at least 40% of annual deployment needs by 2030

Savings & Investment Union (formerly, Capital Markets Union)

The investment needs of European enterprises, particularly SMEs, is acute. The Draghi Report estimated the financial needs for the growth of European enterprises to be between €750-800 billion annually by 2030. Around €10 trillion of EU retail savings are held in low-yield bank deposits. Redirecting a portion of these towards market-based investments could significantly boost capital markets. Public pension schemes form the foundation of pension systems in all Member States and provide (almost) universal coverage. Tackling challenges arising from demographic and labour market transformations requires a broad policy mix, including strengthening supplementary pensions to provide additional income in old age for retirees. Another key challenge to address is the 24.5% gender pension gap. The EU supplementary pension sector is relatively small compared to other advanced economies, the United States in particular, with notable exceptions in some Member States.

Recommendations

15. The European Council invites the Commission to finalise the SIU project by addressing the remaining barriers to cross border investment and by achieving the necessary harmonisation of national rules across capital markets. In any case, and by 2027, the Commission should assess the degree of capital markets integration in the EU, in particular with a view to smaller member states, to suggest adequate measures to address any imbalance.
16. The European Investment Bank (EIB) should enhance its activities for SME financing in local markets as well as in less developed financial markets. The EIB should therefore increase its lending activities, increase its venture capital activities for start-ups in innovative sectors, such as the digital economy and sustainable development, and ensure access to the trans-European market for SMEs in smaller Member States in order to enable them to also benefit from the EU-wide investment opportunities.
17. Annual reports on SME financing needs and on the opportunities for cross-border investments should be drawn up by the Commission, in close cooperation with the EIB.

18. The European Council calls on the The European Securities and Markets Authority (ESMA) and the national competent authorities (NCAs), to coordinate supervisory convergence within the Union. The EU agencies should provide the guidance, coordination and oversight, while the NCAs can carry out the on-the-ground supervisory work with the necessary differentiation to reflect the specificities of each Member State’s local market and expertise.

19. The European Council calls for the establishment of a European Stock Exchange.

a. The European Council directs the European Commission to begin consultations with ECOFIN and the ECB to establish a European Stock Exchange to be located in an existing major financial center located in the Union.

i. The ESMA will be the regulatory body for the European Stock Exchange.

ii. National stock exchanges will continue to be supervised by national authorities.

20. The European Council invites the Commission to increase grant funding under the Erasmus+ programme to assist educators in teaching financial literacy in primary and secondary education.

21. The European Council invites the Commission to explore the feasibility of starting Employee Stock Option Plans.

22. The European Council invites Member States to consider reforms to state pension systems to build supplementary pensions options to enhance retirement options and growth.

23. The European Council encourages ECOFIN to continue to examine the debt bias in national tax systems and to treat dividends and capital gains more advantageously in tax codes.

24. The European Commission is commended for its proposal for reform of the Pan-European Personal Pension Product (PEPP) Regulation. The co-legislators are urged to move expeditiously in agreeing and passing this revised legislation to increase the ability of Europeans to sign on to supplemental, portable pension schemes.

Affordable Housing

Background

The EU has great wealth, but also people with great needs. The high cost of housing has led to an affordable housing crisis across the Union. It is also a social crisis because it weakens the Union’s competitiveness and cohesion by limiting labour and educational mobility. Between 2013 and 2024, house prices in nominal terms have increased by more than 60% across the EU, while average rents have risen by about 20%. In some Member States, more than 20% of households are paying 40% or more of their net income on housing. This problem is particularly acute in the Union’s major cities, leading to mass protests. The lack of affordable housing has also led to an increase in the unhoused population with an average of 895,000 people who are unhoused on any given night. Irregular migration has also increased pressure on the availability of affordable housing. The EU will need more than two million homes per year to match the current demand, requiring the addition of 650,000 homes per year to the 1.6 million built currently.

1. The European Council directs the European Commission to assist Member States in:
 - promoting more affordable housing, as well as focusing more on providing stable homes rather than temporary shelters for those who become homeless.
 - gaining a better understanding of the causes behind why the cost of living is high in Europe.
 - building a cadre of professionals in the field to advocate for European-wide solutions to establish more affordable housing options.
 - enhancing public-private partnerships to encourage renovation of existing structures
 - promoting innovative solutions.

2. The European Council commends the European Commission on its consultations and delivery of the European Affordable Housing Plan 2026 of the European Affordable Housing Plan {SWD(2025) 1053 final}, which is being developed by Dan Jørgensen, Commissioner for Energy and Housing. The European Council reiterates the importance of including the following elements in the European Affordable Housing Plan:
 - Mechanisms for easing housing policies in Member States to develop the necessary levels of private investment in the housing market to satisfy the current demand.
 - Address the impact of higher interest rates and high construction costs to create a friendlier environment for housing investment.
 - Ensure that at least 10% of new housing investments focus on providing affordable housing with long-term contracts.
 - Authorise the European Investment Bank (EIB) to lend to Member States to support affordable and sustainable housing in the EU.
 - Provide a best practices code for zoning rules and renovation of historic sites that can prevent or slow down the availability of affordable housing.

3. The Union shall endeavour to invest more funds into affordable housing for Member States.
 - a. The Council of the European Union shall work with the European Parliament and other interested parties to create a new agency to oversee this new program.
 - b. The European Council will issue its determining decision in December 2026 concerning the Member State in which the new European housing agency will be located.
 - c. The European Housing Agency shall work closely with local partners to create housing that is accessible specifically for people under the age of 28 to decrease the number of youths living in their parental homes.

- d. The European Housing Agency shall work with the European Commission and co-legislators to increase the availability of affordable housing for EU citizens in all Member States.
 - e. To assist with this objective, the European Housing Agency shall have an observational component focused on tracking immigration data to ensure that new immigrants/refugees are not heavily impacting the housing crisis and act accordingly.
 - f. The European Housing Agency will have representation of cities, regions, and national authorities.
4. The European Council requests that Member States work to reduce homelessness in the EU by 25% by 2030, as a core element and protection of any housing policy.
5. Implement regulation for an online system collecting a bed tax on all short-term rentals. The tax will be used for a new “Housing Solidarity Fund” to assist Europeans in obtaining affordable housing.
- a. The Commission will convene a reflection group of housing experts (builders, renters, local authorities, housing experts, etc.) to produce a Green Paper with their recommendations as to how this tax could be implemented.
 - b. The Housing Solidarity Fund will distribute funds to local communities that are experiencing housing shortages due to an excess of short-term rentals.
6. The European Council directs the Parliament, Council, and the Commission to adopt a Union-wide ‘Housing First’ policy.

ALTERNATIVE AGENDA PROPOSAL #1: COMMON COMMERCIAL POLICY (CCP)

Defending the EU from Tariff Aggression & Coercion

Proposed by: Germany

Background

Keeping in Mind

1. That the European Union's common commercial policy is an exclusive Union competence under Article 207 of the Treaty on the Functioning of the European Union (TFEU), ensuring a single, rules-based EU line in global trade negotiations;
2. That there are numerous export-oriented economies in the European Union making stability in global trade a fundamental interest;
3. That in 2018, the United States of America (U.S., United States) under President Donald Trump imposed tariffs on European steel and aluminium, prompting retaliatory EU measures and straining transatlantic relations;
4. That in 2021, the EU and the United States negotiated a tariff-rate quota (TRQ) system to suspend some of these tariffs and began talks on a Global Arrangement on Sustainable Steel and Aluminium (GASSA);
5. That as of July 2025, the U.S. threatened to impose across-the-board tariffs of up to 30%, while the EU responded with calibrated measures, which resulted in an interim 15% tariff framework that covered most transatlantic trade; however, metals remained subject to higher tariffs;
6. The European Union is committed to climate-aligned trade policy, including the implementation of the Carbon Border Adjustment Mechanism (CBAM) in 2026, which seeks to ensure fair competition while advancing the EU's decarbonization goals;
7. That the EU recently adopted the Anti-Coercion Instrument (ACI) as a last-resort safeguard against unilateral and coercive economic measures from third countries;
8. That the European Union has consistently reaffirmed its dedication to a rules-based international order, transatlantic cooperation, and green industrial innovation, aligning its national interests with the European Union's broader strategy;
9. That the European Union believes in credibility, unity, and firmness in trade defence are essential not only to protect industries and jobs, but to safeguard the principle that the European

Union cannot be coerced by any external power, especially considering the hostility from the United States and Russia against the EU.

Recommendations

The Federal Republic of Germany calls on the European Council to adopt an offensive trade-defence strategy against U.S. tariff coercion.

A. AUTOMATIC TRIGGER RESPONSE TO TARIFFS:

1. Any unilateral U.S. tariffs on EU goods above 20% shall automatically trigger EU-wide retaliatory tariffs of equal or greater value after 20 days.
 - a. Within that initial 20-day period, negotiations are to take place between the United States and EU with the goal of tariff reduction and avoiding retaliatory tariffs.
2. These retaliatory tariffs shall target the sectors that have been specifically targeted by the U.S. tariffs.
3. The Commission shall maintain a pre-approved escalation list of U.S. products, reviewed every six months, to ensure immediate implementation without delay.
 - a. The EU shall not place any retaliatory tariffs on U.S. defence manufacturers.

B. FORMAL ACTIVATION OF THE ANTI-COERCION INSTRUMENT:

1. The EU should immediately invoke the ACI in response to renewed U.S. tariff threats, demonstrating that the Union's tools are not symbolic but actionable.
2. The Commission shall publish a package, subject to prior approval by the Council to ensure Member State consensus, within 20 days of invocation, including tariffs, procurement restrictions, and limitations on U.S. companies benefitting from EU programs.
3. ACI measures should remain in place until the United States withdraws coercive tariffs in full.

C. STRENGTHENING EU STRATEGIC AUTONOMY

1. Establish a European Trade Defence Fund (ETDF) financed by customs revenues and contributions from Member States to:
 - A. Directly compensate small and medium-sized enterprises (SMEs) impacted by U.S. tariffs;
 - B. Support industries critical to the EU's green and digital transitions (pharmaceuticals, automotive, clean technologies).
2. Introduce resilience incentives for EU companies to diversify supply chains away from U.S.-dominated markets.
3. Encourage joint EU investment in industries where tariffs would have the greatest impact (steel, aluminium, semiconductors).

D. CONDITIONAL TRANSATLANTIC NEGOTIATIONS:

1. Pause all further tariff-reduction talks with Washington until the U.S. formally commits to exempting all EU Member States from blanket tariffs.
2. Condition progress in GASSA negotiations on U.S. recognition of the CBAM as a legitimate, WTO-consistent measure.
3. Refuse to compromise EU climate policy in exchange for tariff relief, reaffirming that climate integrity is non-negotiable.

E. PRESERVING EU UNITY AND DETERRENCE:

1. The Council shall issue a declaration that a tariff on one Member State is a tariff on all, reaffirming indivisible solidarity.
2. Establish an EU–U.S. Trade Watchdog Mechanism, led by the Commission, to monitor U.S. tariff threats and report quarterly to the Council.

F. WTO AND GLOBAL ALLIANCE-BUILDING:

1. The EU should lead efforts in the World Trade Organization (WTO) to modernize trade rules to explicitly outlaw tariff coercion against regional blocs.
2. Build a coalition with like-minded partners (Japan, Canada, Australia, UK) to jointly oppose U.S. tariff abuse and support multilateral dispute resolution.
3. Introduce a “Clean Trade Compact” open to all states willing to align trade with climate objectives, positioning the EU as a global leader in linking trade and sustainability.

Coordination should build on existing expertise, particularly ENISA and the NATO Cooperative Cyber Defence Center of Excellence.

ALTERNATIVE AGENDA PROPOSAL #2: BUDGET

Reformed, Fiscally Responsible, and Strategically Focused EU Multi-Year Financial Framework for the 2028–2034 Fiscal Session

Proposed by: Netherlands

Background

The upcoming multi-year budget is a recent topic of discussion in the EU, as proposals for the 2028 MFF (Multiannual Financial Framework) have already been presented in the European Commission. The MFF was first used in 1988, after budget crises in the previous decades created a need for multi-year budget plans. The EU created a 5-year spending limit, among other reforms intended to stabilize budget negotiations and control agricultural spending. The MFF has gone through significant change throughout the last few decades. Some notable reforms include Agenda 2000, which introduced the financial framework to prepare the EU budget for Eastern integration, and the Lisbon Treaty reforms, which established the MFF as a legal requirement for EU budgeting. This current ambitious proposal of a nearly €2 trillion budget would be the largest long-term budget in EU history. The MFF represents European values and priorities, including what the EU is willing to invest in collectively. It also states how the budget will be burdened among Member States. The Dutch have been key contributors to the EU budget over recent years. In 2023, the average Dutch citizen contributed nearly €350 more to the EU than they received in return, more than any other country in the EU. Over the last decade, the Netherlands have given far more than they have received from the EU, being consistently one of the countries that receives the least € back from the budget. These statistics show an undoubtable commitment from the Dutch to the European project. However, the new MFF has proposed to eliminate the rebate system that benefits wealthy countries based on their contributions to the budget. This would cost the Netherlands approximately €2 billion per year in additional contributions starting in 2028. Among other issues, the new MFF must better represent Europe's new priorities, including the war in Ukraine and climate change. National governments alone cannot solve these big issues that the EU faces, as these collective challenges require cooperation and funding within the EU. Currently, the new Jetten administration in the Netherlands is a minority government, whose viewpoints contrast those of the previous, EU skeptic cabinet. An unfair budget that places more of a burden on the Dutch people, without rewarding them or their interests, would hand political ammo to the anti-EU PVV (Populist) Party, who matched the currently elected D66 in seats in the 2025 election. A budget that lacks fairness and accountability will lose the public support from countries like the Netherlands that are net-contributors.

Recommendations

1. Instead of abolishing the Rebate system, reform and reinvent it in a way that works for all EU countries

- The commission should do a full investigation of the fallout of the elimination of the rebate system before Member States vote to get rid of it
 - A new mechanism based on GNI and EU spending can be proposed and implemented to help with fairness
 - This assessment should be completed, with a replacement mechanism introduced, by early 2027, allowing time to be approved and ensure funding starting in 2028
2. The commission should establish a separate, legal instrument within the MFF in which they can monitor and fund defence industrial cooperation and military mobility
- This pillar would be separate from existing foreign policy funds
3. The Commission should be encouraged to create an independent verification body to check and verify climate spending to ensure that “green” standards aren’t too low
- Climate targets should be seen as investment amounts with measurable achievements.
 - The EU Emissions Trading System (ETS) and Carbon Border Adjustment Mechanism (CBAM) should be formally adopted within the green transition fund, using those funds for these programs.
 - An independent body that reports spending to the European Council and Parliament should be established no later than August 2027, so it has time to calibrate prior to the start of the fiscal year in 2028
4. The EU should use independent research to link contribution levels to actual EU added value
- This should be done before the new MFF takes place (2028), evaluating spending vs actual added value
 - Programs that are found to not add the same value as others based on how much funding they get should be phased down and inspected to see how to be more efficient in EU budget allocation
 - This research would be commissioned by the European Council and would lead to performance-based budgeting with measurable indicators
5. The new MFF should also include a formal position that takes a stand against new joint borrowing beyond the already agreed NGEU repayment schedule
- This should also make any new emergency borrowing have to go through a unanimous council vote to get approval, as the EU should be against any more debt intake
 - “Own resources” should be seen as the only way to fund new priorities outside of the budget, not common loans

- This formal position should be adopted Council through the Own Resources Decision and ratified before the start of the new MFF budget (2028) budget priorities should emphasise investment in digital infrastructure and cyber security as core drivers of economic resilience.

ALTERNATIVE AGENDA PROPOSAL #2: AREA OF FREEDOM, SECURITY AND JUSTICE (AFSJ)

Schengen Area, Migration, Cybersecurity, Firearms Trafficking

Proposed by: Austria, Estonia, Italy, Netherlands, and the European Commission

Schengen Area

Background

The phrase Schengen Stagnation describes the growing trend among EU members to reintroduce internal border controls in response to the perceived failure of the EU's external border management. The refugee crisis that started in 2015 and the persistent pressure along the Western Balkan route, combined with the absence of a unified return policy, have all contributed to distrust in the EU's ability to regulate its borders. Austria, situated at the heart of the continent, has been particularly affected – battling with the logistical and security challenges of being a primary transit and destination country. Member States that feel that their national security is being compromised by porous external borders are forced to rely on internal checks as a measure of last resort.

The nation-first reaction of Member States has been heavily influenced by the lack of a standardized EU-wide process for the return of rejected asylum seekers. The continued pressure on national systems has caused conflicts among Member States regarding the fair distribution of responsibility – undermining the idea of unity on which the EU was founded. The New Pact on Migration and Asylum is a substantive step forward; however, its implementation remains slow and a point of contention. Overall, several Member States and their citizens have become increasingly dissatisfied with the current state of the Schengen Area, as seen by the continuation of internal border checks.

The solution to this issue cannot be found at the national level alone; it requires decisive action from the EU to secure the external perimeter and establish uniform Return Hubs in third countries. The legislative recommendations aim to produce a renewed commitment to open internal borders and solidarity among Member States, reestablishing trust in the Schengen Area and its security.

Recommendations

1. The European Commission shall propose a framework for the establishment of EU-funded and jointly managed Return Hubs in partner third countries by June 2027 to facilitate the swift processing of rejected asylum seekers.
2. The European Border and Coast Guard Agency (Frontex) shall be granted expanded authority to conduct joint border operations in non-EU transit states along the Western Balkan route.

3. The Council shall establish a "Schengen Restoration Roadmap," to set clear security benchmarks and KPIs for external borders that will encourage removal of internal border checks by Member States.

Migration

Background

The asylum rules of the EU have forced states like Italy to bear unnecessary burdens in regards to immigration. The Dublin Regulation proclaims that the first EU country an asylum seeker enters is responsible for processing their asylum claim. This piece of legislation creates a serious issue for Italy, considering its geographical location and the substantial number of asylum seekers coming in from all sides of its territory. The Dublin Regulation places disproportionate and unfair pressure on Mediterranean states like Italy, Spain, Greece, Malta, and Cyprus, who are forced to bear the asylum burden for the entirety of the EU. This system is unfair and requires significant reform.

The foundations of the EU call for Member States to work in solidarity with one another. Coordinated action shapes the framework in which the organization is based on and functions, but the EU has depended so strongly on Italy in regards to immigration. With the current system that the EU has in place pertaining to asylum and immigration, "front line states"- Member States located on the borders of the EU and receive the highest volume of initial migration arrival- carry an unfair and unjust load that will continue to hound them with pressure not felt by northern EU states.

During the 2015 European Migrant crisis, more than 1 million migrants entered Europe. Multiple EU countries conducted large search-and-rescue missions, like Operation Mare Nostrum, and received hundreds of thousands of arrivals via sea. However, Northern EU states were reluctant to share the same burden Italy bore, and the Mediterranean state was left alone to handle the crisis. The EU has attempted to reduce arrivals through several mechanisms involving Italy, including the organization allowing the border agency Frontex to assist with surveillance and rescue operations, agreements with North African countries, and returning migrants intercepted at sea.

In addition to the uneven distribution of migrants throughout the geographical regions of the EU, it is crucial to note that a significant consequence of lenient borders is the threat of radicalization and terrorism. The EU is frequently confronted with terrorist plots and attacks, and in the year 2024 alone, Member States documented 58 attempted terror attacks within their borders, with over 30 being executed. Oftentimes, the violence is attributed to foreign fighters within the EU, and international conflicts such as the wars in Gaza and Iran. In March 2026, border officials in Cyprus arrested a Lebanese national with ties to Hamas who planned on executing attacks on Jewish institutions in Berlin. Additionally, German officials issued warnings of potential Iranian sleeper cells hiding in the country. Instances such as these demonstrate the importance of

addressing the issue of strengthening borders in order to protect Europe's citizens. Terrorist attacks performed by foreign fighters and sleeper cells is a threat to fundamental EU values such as preserving democracy and promoting peace. It is in the best interest of Member States to put forth methods tightening immigration.

Recommendations

1. Solidarity to assist countries geographically more exposed to immigration entry.
2. To preserve and protect the Schengen area, the European Commission should introduce legislation that strengthens the Entry/Exit System.
3. The European Commission should improve its intelligence and regularly evaluate it to ensure that it is providing necessary information to Europol and Interpol and relevant national policing authorities as well as to EU institutions and to leaders of individual member-states.
4. The European Union should work with American organizations like the FBI and CIA and those of other countries in order to cultivate a global network that limits terrorist organizations.

Cybersecurity

Background

A more competitive global economic landscape, geopolitical confrontation, and cyber threats increasingly complicate the strategic environment facing the EU. These challenges span security, technological innovation, and economic resilience. Creating digital infrastructure, industrial capacity, and systems, including the economic system, is essential for the EU to remain competitive in the global economy. European policymakers have recognised the need for stronger digital resilience and cybersecurity cooperation throughout the Union. The European Commission's Cybersecurity Strategy for the Digital Decade emphasizes the need to safeguard critical infrastructure, enhance cyber threat detection, and foster collaboration between Member States and private-sector entities (European Commission, 2020). As the EU economy becomes increasingly dependent on digital systems, cybersecurity has become a core pillar of economic stability and national security.

Threats and risks, especially those as insidious and underground as cybersecurity threats, are rarely contained to one EU member state. In fact, the borders themselves are unable to isolate other EU Member States from exploitation of any cybersecurity vulnerabilities. That is, the EU Member States need to focus on working collaboratively and collectively to strengthen the cybersecurity mechanisms, enabling each EU member state to be protected against such threat. If the EU, in its entirety, is complicit in neglecting to strengthen and expand cybersecurity systems, then the EU Member States will be less equipped to prevent, detect, and combat cyberattacks. Suffice it to say, cybersecurity vulnerabilities impact each EU member state.

Similar to the reality that Europe cannot defend itself with 27 separate 'bonsai armies,' it cannot protect its digital infrastructure with 27 isolated national cybersecurity systems. Cyber threats,

again, do not stop at borders, and fragmented national responses leave the Union collectively vulnerable. Given that, it is imperative for EU Member States to collaborate to address the risks and threats posed by cyberattacks.

Most importantly, cyber defence aims to protect satellite systems, transportation systems, communication channels, information integrity, and databases across all sectors. Collaboration among EU Member States to drive efforts to mitigate, detect, and counter cyber threats aligns with Article 114 of the TFEU (TFEU, 2012). This article, in particular, suggests that all EU members should be equipped to protect civil activities, including cyber incidents and threats. The shared resources, expertise, and capabilities of the EU's Member States can achieve this objective, provided there is a willingness to collaborate on cyber-defence efforts in a manner consistent with the obligations set out in the TFEU. It should also be noted that Article 196 of the TFEU indicates that cooperation among members of the EU is expected to protect the sectors and services of the Union. In essence, such cooperation demands that each member of the EU focuses on establishing a collective system to address cybersecurity threats, including ransomware, data breaches, and other measures that attempt to hamper infrastructure. Armangau (2026) confirms that the number of reported incidents continue to increase. Of note, cyber infrastructure often supports the operations of a nation-state, rendering it necessary to prioritize.

Additionally, Armangau (2026) notes that the Commission is urging Member States to exercise greater caution regarding exports and products originating from outside the Union. Implementing such vigilance requires substantial coordination, as no single Member State can effectively monitor these risks alone. This makes collaboration essential for strengthening cybersecurity and ensuring that shared systems remain resilient. Moreover, increased scrutiny of external suppliers may reduce access to certain resources, further underscoring the need for Member States to support one another and pool capabilities within the Union.

The European Union Agency for Cybersecurity indicates that both ransomware and social engineering now represent the most immediate and destabilizing cybersecurity threats facing the Union. Certainly, this exploits both system vulnerabilities and the human element with alarming precision. Attackers increasingly use manipulation, deception, and psychological tactics to gain access, while ransomware continues to cripple critical infrastructure and public services across Member States. These threats evolve faster than any single nation can respond to, creating risks that spill across borders in real time. Only coordinated, EU-wide action can strengthen resilience, protect citizens, and uphold the security of our shared digital environment.

To bolster the Union's overall cyber-resilience and enhance its capacity to confront increasingly complex and persistent threats, the EU is advancing a new set of initiatives, including targeted revisions to the NIS2 Directive (European Commission). Such developments are intended to modernise the regulatory framework, reduce administrative burdens, and create clearer, more consistent cybersecurity obligations across sectors. Implementing The Cybersecurity Act demands coordination and collaboration among the members of EU, particularly given the fact that the resources and assets required to maintain the directives within the act requires the members of EU to share resources, ideas, and approaches to cyber defence.

The Cyber Resilience Act, which came into force in December 2024, establishes a unified set of cybersecurity requirements for hardware and software products across the Union (European Commission). In essence, it creates a common baseline that all digital products must meet, ensuring stronger protection against emerging threats. Consequently, maintaining these standards demands close coordination among Member States, as no single nation can independently supply all the resources, expertise, and oversight required. Moreover, such collaboration becomes even more critical when considering the broader role of cybersecurity in safeguarding elections, preventing data breaches, and protecting sensitive information across vital sectors.

On a final note, the emphasis on collaboration and cooperation to optimally empower members of the EU to detect and mitigate cybersecurity incidents is in alignment with Article 222 of the TFEU. Said article provides the solidarity clause, requiring that members of EU are expected to respond collaboratively in the event that, “a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster” (TFEU, 2012). In order to collaboratively respond to disasters or attacks, including that of a cyber threat, it is necessary for Member States to understand the availability of resources for each state as well as recognize the needs of each Member States. This requires a collaborative and transparent approach to collaboration. Not to mention, Article 222 of the TFEU (2012) expects Member States to assist other members of the EU in instances where a terrorist attack or other incident occurs. In essence, both collaboration and cohesion advance the mandate for supporting other states within the EU. Since cyber defence is essential to bolstering sectors and other elements of infrastructure, the EU needs to prioritise its cybersecurity.

References

Armangau, R. (2026). Brussels pushes for stronger cybersecurity oversight of high-risk technology suppliers. Euronews. <https://www.euronews.com/next/2026/01/20/brussels-pushes-for-stronger-cybersecurity-oversight-of-high-risk-technology-suppliers>

Consolidated version of the Treaty on the Functioning of the European Union. (2012). OJ C 326, p. 47–390. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A12012E%2FTXT>

European Commission. (n.d.). Cybersecurity policies. Shaping Europe’s Digital Future. <https://digital-strategy.ec.europa.eu/en/policies/cybersecurity-policies#ecl-inpage-cybersecurity-strategy>

European Union Agency for Cybersecurity. (n.d.). Threat landscape. ENISA. <https://www.enisa.europa.eu/topics/cyber-threats/threat-landscape>

Recommendations

1: The European Council calls upon the Commission to develop a coordinated assessment mechanism to evaluate the current cybersecurity capabilities, resources, and operational readiness of each EU Member State.

2. The European Council reiterates the central role played by the European Union Agency for Cyber Security (ENISA) as the principal European agency responsible for combatting cyber defence.
2. The European Council urgently calls for the strengthening of the Union's energy infrastructure against cyberattacks.
 - a. The European Council invites the Agency for the Cooperation of Energy Regulators (ACER), working with NATO's Cooperative Cyber Defence Centre of Excellence, to conduct assessments of vulnerabilities
 - i. affecting EU energy infrastructure, including LNG terminals, gas storage facilities, and cross-border interconnectors.
 - ii. The European Council invites the ACER to develop policy guidance to improve energy system resilience during supply disruptions and geopolitical shocks.
 - iii. Establish a standardised evaluation framework to ensure all Member States are assessed consistently and transparently.
 - iv. Identify capability gaps and resource shortages to guide targeted support and capacity-building efforts across the Union.
 - v. Create a shared registry of national cyber assets to facilitate coordinated responses and efficient resource-sharing during incidents.
 - vi. Funding for this initiative is through Connecting Europe Facility (Energy) and existing REPowerEU funding mechanisms.
3. The European Council invites the European Commission, in collaboration with the Joint Research Centre, to consult the European Union Agency for Cybersecurity and the European Defence Agency to evaluate cybersecurity vulnerabilities affecting EU space infrastructure and satellite-based systems, and produce a report on these risks by January 2027.
 - a. The Commission should work with the Joint Research Centre (JRC) to coordinate consultations with ENISA, the European Defence Agency, and key industry partners.
 - b. These consultations should identify vulnerabilities, emerging risks, and systemic weaknesses affecting EU space-based systems and related digital infrastructure.
 - c. The Commission should compile these findings into a comprehensive report on cyber vulnerabilities in EU space systems to be delivered by January 2027.
4. The Commission, in cooperation with ENISA, the EDA, and the EU Space Programme Agency, should establish a cross-border monitoring and early-warning mechanism to detect, analyse, and report cyber threats targeting critical infrastructure and space-based systems.
 - a. Develop a unified EU-level monitoring system capable of identifying cyber intrusions and abnormal network activity affecting critical infrastructure and space assets in real time.

- b. Ensure the rapid dissemination of threat intelligence and incident alerts to all Member States through secure communication channels.
 - c. Strengthen the protection of EU space assets, communications networks, and information systems from coordinated cyberattacks, including jamming and spoofing attempts.
 - d. Warning systems must comply with Made in Europe requirements as laid out in the Industrial Acceleration Act.
 - e. Satellite systems must be produced by European-owned companies and production must take place in the Union.
5. Member States are strongly urged to expand information-sharing on cyber incidents and cybersecurity threats affecting critical infrastructure via the provision of a detailed report.
- a. Examine the various cybersecurity threats and communicate the information to other Member States.
 - b. Create a plan to disseminate information regarding cybersecurity threats, risks, and related tactics.
 - c. Provide insights into the assessment and mitigation of risk associated with cyber infrastructure, with special attention paid to ransomware.
 - d. To establish a plan for rapid updates regarding cybercrimes affecting EU Member States.

Countering Illicit Firearms Trafficking into the European Union

Background

In February of 2022, the collective security framework of the European Union (EU) faced an unprecedented challenge in the wake of Russia's invasion of Ukraine. In response to this threat, the EU sent approximately €194.9 billion to Ukraine in financial, military, humanitarian, and refugee assistance. While the EU supplied a large quantity of weapons to Ukraine to fend off Russia, this also created concern over whether some weapons connected to the war could eventually be diverted into the illicit firearms market, a concern stoked by a report which found that nearly 600,000 small arms sent to Ukraine are now unaccounted for. Independent monitoring has warned that the risk for these arms flowing into Western Europe is serious, even though there has not yet been a confirmed case of organized arms trafficking from Ukraine. However, given the current situation in Europe, this is a highly plausible outcome. Much of the illicit firearms trade in Europe can be traced to the former Yugoslavian countries, as well as Slovakia, Romania, and Bulgaria. While it has been reported that EU anti-trafficking policies have gaps in tracing, intelligence sharing, and cross-border enforcement, European Commission (EC) officials have warned that traffickers will continue to exploit these gaps in Member States and bordering EU countries until they are properly addressed. A 2017 study found that 35 million illicit firearms are owned by EU citizens, outnumbering legally held firearms in over twelve EU countries, raising further concerns about the prevalence of illicit arms in Europe and the consequences of these gaps in enforcement and cooperation.

The EU has already created rules to counter the illicit firearms trade; however, those rules are inadequate in addressing the ongoing situation. The EU's adoption of the 2018 Strategy on illicit arms laid out the framework for combating the spread of SALW (Small Arms & Light Weapons) and ammunition through improved tracing, intelligence-sharing, and cooperation between Member States. The 2018 framework has been further reinforced by the European Commission's EU Action Plan on Firearms Trafficking 2020-2025, which explicitly aimed to address legal loopholes and inconsistencies in firearms control. The 2021 Directive on the control of the acquisition and possession of weapons (Directive (EU) 2021/555) by the European Parliament (EP) and Council of the European Union codified and consolidated existing civilian firearms rules within the EU, and Regulation (EU) 258/2012 previously added import, export, and transit controls for firearms for civilian use; however, the 2021 Directive did not create an EU-wide criminal-law system for firearms trafficking. The lack of unified criminal penalties meant that punishments were left to national systems. The Commission's 2026 Directive proposal sought to address the gap in unified enforcement by establishing EU-wide definitions and minimum penalties for illicit firearms trafficking, possession, manufacturing, and related crimes. Additional problems arise from the Council of the European Union's 2025 conclusions on combating firearms trafficking. The Council noted that criminals exploit differences in how EU legislation is implemented to obtain weapons and that the EU lacks fully standardized firearms records. The Council also concluded that the problem of weapons from non-EU countries and regions must involve international cooperation rather than just internal EU rules.

The Kingdom of the Netherlands, along with neighboring countries, has directly experienced the devastation caused by illicit arms and must face this problem daily. The Netherlands plays a significant role in the illegal arms trade, serving as a transit country for these criminal organizations through the major European ports of Rotterdam and Vlissingen into other European nations, mainly Belgium, Germany, and the UK. While the Netherlands is neither a gun-producing country nor one where arms-trafficking is as prevalent an issue as drug-trafficking, a 2017 small firearms survey found over 230,000 illegal arms circulated in the Netherlands, gradually increasing from 2017 onward. Illicit arms trafficking is not only a criminal issue, but a growing threat to the internal security of the Netherlands and the European Union as a whole. According to the United Nations, illicit trade and the misuse of small arms and light weapons fuel armed violence, terrorism, and organized crime. The Netherlands reflects this trend, experiencing a roughly 25% increase in gun-related crimes from 2015 to 2025 as reported by Statistics Netherlands (CBS). If Europe cannot stem the flow of illicit arms at the source and prevent the illicit firearms trade from spreading, how can the EU and Member States ensure the security and well-being of their constituents?

Recommendations

- 1.) Strengthen tracing and information-sharing across the EU
 - 1a.) Establish a centralized EU firearms database (Euroarms) containing the records of licensed dealers, registered firearms, and weapons linked to criminal organizations
 - 1a-i.) Established through a co-adopted regulation by Parliament and the Council of the EU

1a-ii.) Database will be hosted by Europol (in a coordination and analytical aspect rather than direct oversight)

1a-ii-1.) 2022 Europol Regulation (Regulation 2022/991) expanded Europol's data analysis mandate

1a-ii-2.) Euroarms will still require compliance with Law Enforcement Directive (LED, 2016/680) and Europol's own data protection rules

1a-iii.) Euroarms would be a new EU instrument interoperable with iARMS, the existing Interpol system

1b.) Require Member States to report firearms lost, stolen, and seized to the data within 72 hours of detection to Euroarms, subject to review

1b-i.) Implementation timelines will account for member state capacity differences

1b-ii.) The 72-hour deadline will be accompanied by a week-long compliance window during the two-year implementation period

1b-ii-1.) The window operates as a consequence-free grace period during the implementation phase rather than as a replacement for the 72-hour standard

1b-ii-2.) Once the two-year implementation period closes, the 72-hour deadline becomes fully binding

1c.) Draft additional proposals authorizing Europol, national law enforcement and custom agencies access to Euroarms based on operational need

1c-i.) The Commission is responsible for drafting access to the authorization framework, with Parliament and the Council adopting it

1c-ii.) Agencies must put in a request to retrieve information from Euroarms

1c-ii-1.) The accessing agencies will be granted tiered access to the Euroarms database

1c-iii.) Primary oversight will be provided by the European Data Protection Supervisor (EDPS) to protect against misuse

2.) Implementation of the European Commission's 2026 proposal on EU-wide rules against the trafficking of illicit firearms within a specified period and with subsequent safeguards

2a.) The European Commission's 2026 proposal introduced common definitions for firearms trafficking and minimum penalty thresholds for arms trafficking convictions

2a-i.) Common definitions shall be adopted by the European Parliament and Council under Article 83(1) TFEU which explicitly denotes arms trafficking as a serious cross-border crime

2a-i-1.) This establishes a common baseline across all Member States, rather than full unification of member state legal definitions

2a-ii.) Sentencing guidelines shall be limited to minimum standards consistent with Article 83 TFEU

2a-ii-1.) This will ensure Member State autonomy for discretion over maximum penalty levels

2a-ii-1-a.) This will address lenient penalty gaps traffickers use to exploit Member States legal frameworks

2a-ii-2.) Article 83(3) TFEU contains an “emergency brake” procedure, if a member state that believes a directive under Article 83 affects fundamental aspects of its criminal justice system can refer the matter to the European Council, triggering enhanced cooperation

2b.) If the 2026 European Commission proposal on EU-wide firearms regulation is passed:

2b-i.) The European Commission shall propose, with Parliament and the Council adopting the directive, for Member States to align firearms laws with EU standards within 2 years of adoption through EU legislative procedures

2b-i-1.) The Commission will monitor and enforce transposition while accounting for implementation variation

2b-i-2.) Failure of compliance will result in Member States being subject to European Commission’s infringement procedure under Article 258 TFEU

2b-i-2-a.) Ultimately may be brought to The Court of Justice of the European Union (CJEU)

3.) Expand cross-border cooperation involving illicit arms trafficking enforcement

3a.) Organize the formation of Arms-Trafficking Joint Investigation Teams (ATJIT) for cross-border firearms trafficking cases

3a-i.) Expanding Europol’s operation mandate to include an Arms Trafficking Unit

3a-i-1.) Requires an amendment to the Europol Regulation, subject to adoption by the European Parliament and Council of the EU

3a-i-2.) ATJITs will be organized under pre-existing Europol operational framework

3a-i-2-a.) Europol will be in a supporting role

3a-ii.) Minimum of two or more Member States in arms trafficking cases required for an ATJIT to be established between the respective states

3a-ii-1.) ATJIT framework is built on top of the existing JIT legal framework, in the JIT Framework Decision (2002/465/JHA) and Eurojust Regulation (2018/1727), which already authorizes this cooperation

3a-ii-1-a.) The existing JIT framework is adapted to a specific domain in the establishment of ATJIT

3b.) The European Commission, alongside Europol, providing analytical and logistical support, shall establish an annual summit between national police, customs, and judicial authorities of EU Member State countries in-conjunction with EU Member States to identify new trafficking routes and gain knowledge on working operational tactics

3b-i.) The European Commission shall extend an invitation to bordering non-EU countries to this summit

4.) Direct a review of anti-trafficking policies

4a.) Implement all adopted anti-trafficking policies for an initial period of three years

4a-i.) European Commission, Europol, EDPS, and other relevant agencies will monitor compliance and collect performance data

4b.) Require periodic review of their success in reducing illicit arms flows

4b-i.) Europol and European Commission will evaluate policy effectiveness bi-annually

4b-i-1.) Review will display data on seizure rates, Euroarms and ATJITs success, as well as utilization, and cross-border cases closed

4c.) Require the European Commission (in conjunction with Europol, EDPS, and other relevant agencies) to submit a public report to the European Parliament and Council at the three-year mark

4c-i.) Report will include recommendations to renew, revise, or replace implemented policies including InvestEU and the Innovation Fund, rather than committing to additional spending.