*In accordance with Article 3(1) of the Rules of Procedure of the European Council, delegations will find attached the draft conclusions prepared by the President of the European Council, in close cooperation with the member of the European Council representing the Member State holding the six-monthly Presidency of the Council and with the President of the Commission.*

1. (P.M.: UKRAINE/RUSSIA)
2. EconomY
	* 1. In the face of the new geopolitical reality, the European Union will act smart, fast and on a significant scale to ensure long-term competitiveness, prosperity and its role on the global stage. The European Union will pursue a comprehensive approach to strengthen its economic, industrial and technological base and enhance European sovereignty and strategic autonomy.
		2. In the short term, work needs to be urgently taken forward on the following four strands of action:

First, state aid policy: procedures need to be made simpler, faster and more predictable, and allow for targeted support to be deployed speedily in sectors that are strategic for the green and digital transitions and those that are adversely impacted by foreign subsidies and high energy prices. The level playing field in the Single Market should be safeguarded. The European Council further calls for EU instruments, such as the Important Projects of Common European Interest (IPCEIs), to be reinforced by increasing transparency and streamlining procedures, notably by shortening the design and assessment phases. *(To be completed based on Commission contribution)*

Second, flexibility in the deployment of existing EU funds: the European Council invites the Commission and the Council to take work forward to ensure full mobilisation of available funding and existing financial instruments, so as to provide timely and targeted support in strategic areas. *(To be completed based on Commission contribution)*

Third, solidarity: even access to financial means is instrumental to a fully effective EU policy response. To this end the European Council invites the Commission and the Council to take work forward building notably on the success of the SURE programme. *(To be completed based on Commission contribution)*

Fourth, investment, both private and public, to close investment gaps that undermine growth: the European Council looks forward to the swift Commission proposal for a European Sovereignty Fund to support investment in strategic areas, exploiting in full the potential of the European Investment Bank.

* + 1. A fully developed and integrated European capital market is crucial for Europe to remain a continent of production and innovation.
		2. The European Council underscores the importance of improving the framework conditions for investment in the European Union. On the regulatory side, administrative procedures should be simplified, including to fast-track permitting for investment projects in new clean-tech production, and public procurement rules should be modernised to help foster greener industry.
		3. It is also important to further develop the skills that are required for the green and digital transitions by training, education, up- and reskilling to meet the labour shortages and transformation of jobs.
		4. Pursuing an ambitious and robust trade agenda and supporting the multilateral rules-based system will be key to strengthening Europe’s sovereignty and prosperity. To this end, open, fair and transparent Free Trade and Investment Agreements should ensure a true level playing field, allow resilient and reliable supply chains to develop and the European Union to access new markets. Efforts to diversify supply chains should be stepped up, notably for critical raw materials. The European Union must also safeguard its interests when facing unfair practices, making use of trade defence instruments.
		5. In parallel, as a longer term objective, it is essential for the European Union to harness the full potential of the Single Market, which has underpinned Europe’s prosperity since its creation 30 years ago. Recalling its December 2022 conclusions, notably its invitation to the Commission to present a strategy at EU level to boost competitiveness and productivity, the European Council will address the issue of Europe’s long-term competitiveness, trade and Single Market policy at its meeting on 23-24 March 2023.
1. MIGRATION
	* 1. The European Council discussed the migration situation and assessed the implementation of its past conclusions aiming to develop a comprehensive approach to migration which combines more effective control of EU external borders, increased external action and internal aspects, in line with EU principles and values.

***Control of EU external borders***

* + 1. The European Union remains determined to ensure effective control of its external borders. The European Council welcomes the efforts by Member States in this respect and:

affirms its full support for the European Border and Coast Guard Agency (Frontex) in delivering on its core task, which is to help Member States protect the external borders, fight cross-border crime and step up returns;

looks forward to the Entry/Exit System and the European Travel Information and Authorisation System becoming operational in the coming months;

calls for the rapid conclusion of negotiations on new and revised Status Agreements between Frontex and third countries as part of the efforts to strengthen cooperation on migration.

***Increased external action***

* + 1. To prevent loss of life and reduce pressure on EU borders, the European Union will enhance cooperation with countries of origin and transit through mutually beneficial partnerships. The existing action plans for the Western Balkans and the Central Mediterranean should be implemented, and action plans for the Western and Eastern Mediterranean should be presented by the Commission [by the end of February 2023]. EU and Member States’ engagement with countries of departure and transit will continue, including through high-level contacts, with the objective of reducing irregular flows and breaking the business model of smugglers. To this end, the best possible use should be made of consultations in cooperation forums, the NDICI financial envelope, as well as funding under other relevant instruments. The European Union will continue to support partners in addressing root causes of migration.
		2. Visa policy alignment by neighbouring countries is of urgent and crucial importance for migration management as well as for the overall good functioning and sustainability of the visa-free regimes where relevant. In this regard, the European Council emphasises that the monitoring of neighbouring countries’ visa policy should be strengthened. The European Council welcomes the progress made in EU visa policy alignment by the Western Balkans partners and calls for further swift steps. The European Union reaffirms its readiness to deepen cooperation on migration, asylum, border and return management with the region, maximising the use of existing frameworks and available channels.

***Enhancing cooperation on returns and readmission***

* + 1. The European Council recalls the importance of a unified and effective EU policy on return and readmission as well as of an integrated approach to reintegration. Swift action is needed to ensure effective returns from the European Union to countries of origin using as leverage all relevant EU policies, instruments and tools, including development, trade and visas as well as opportunities for legal migration, such as Talent Partnerships. In this regard, a ‘whole-of-government’ approach is needed both within Member States and EU institutions.

***Fighting migrant smuggling***

* + 1. The European Council condemns attempts to instrumentalise migrants for political purposes. It calls on the Commission and the Council to take forward the work on relevant tools, including measures against transport operators involved in migrant smuggling. Through strong cooperation with Europol, Frontex and Eurojust, the fight against trafficking of human beings will be further reinforced.

***Data on migratory flows***

* + 1. The European Council invites the Council and the Commission, with the support of relevant EU agencies, to enhance situational awareness and the availability of data on migratory flows, both into and within the European Union. It encourages Member State authorities to request the support of EU agencies – including the European Union Agency for Asylum and Frontex – to ensure that all migrants entering the European Union are properly registered.

***Pact on Migration and Asylum***

* + 1. In view of the progress achieved in 2022, the European Council calls on the EU co-legislators to continue work on the Pact on Migration and Asylum as provided for in the Joint Roadmap agreed with the European Parliament in September 2022.