

**Remarks by the President of the European Council
Herman Van Rompuy
following the special meeting of the European Council**

We had a good meeting, a bit shorter perhaps than some had expected. It is a bit unfortunate but not dramatic, not dramatic at all.

In the past weeks I held extensive consultations, over the phone and in person, with all members of the European Council. My conclusion was that we are not yet at the point where we can get a consensual solution on a full package of appointments. We will continue consultations. The European Council will take decisions on the whole package at our next meeting on 30 August.

In the meantime, we had a good discussion with Jean-Claude Juncker as President-elect of the Commission on the strategic agenda for the Union for the five years to come, which the European Council adopted three weeks ago. Tonight we discussed with him how, in his new functions – and also as incoming member of the European Council – he intends to organise the work to move this strategic agenda forward. It is of vital importance that all institutions work together on this programme, according to their respective roles.

Tonight before dinner, we discussed at length two important topics of foreign relations, Ukraine and Gaza.

On Ukraine; at our June summit, we requested four steps on the ground, and we regret that since then they have not been adequately taken. The flow of weapons and personnel across the borders is uninterrupted and violence continues. There are still no substantial peace negotiations. We also consider that the Russian side has not sufficiently used its influence on the separatists to de-escalate the situation in eastern Ukraine.

So last week, the Council already extended the list of targeted individuals. And today we decided six new steps.

First. We expand the restrictive measures, with a view to targeting entities, so not only individuals, as we did until now, – entities *"that are materially or financially supporting actions undermining or threatening Ukrainian sovereignty, territorial integrity and independence."*

As an extra element, we also ask the Council to consider possibly targeting individuals or entities who actively provide material or financial support to the Russian decision-makers responsible for the annexation of Crimea or the destabilisation of eastern Ukraine.

Second measure. We put a brake on European public money flowing into Russia. Leaders request the European Investment Bank to suspend new financing operations of public sector projects in Russia.

Third, will coordinate our positions within the European Bank for Reconstruction and Development with the same intention.

Fourth: the European Commission will re-assess bilateral EU-Russia cooperation programmes, on a case by case basis, with a view to suspend them. We will maintain projects dealing exclusively with civil society and cross border cooperation.

Fifth measure, specifically related to Crimea: because of its illegal annexation by Russia, we restrict European investment in Crimea and, sixth, we expect international financial institutions to refrain from financing projects that explicitly or implicitly recognise the illegal annexation.

This evening we also adopted conclusions on Gaza and the tragic events of the past days. We condemn the firing of rockets from Gaza into Israel and the indiscriminate targeting of civilians. We deeply deplore the loss of innocent lives and the high number of wounded civilians in the Gaza strip as a result of Israeli military operations and are deeply concerned about the rapid and dramatic deterioration of the humanitarian situation.

The European Council welcomes ongoing efforts to reach cease-fire.

We call on both Israel and the Palestinian authorities to act in a manner that will not endanger civilians, and we strengthen our call for peace and negotiations – matters to which our foreign ministers will revert next week.
