Council of the European Union

Brussels, 23 October 2026
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PARLNAT

DRAFT MINUTES

COUNCIL OF THE EUROPEAN UNION[1]
(Economic and Financial Affairs)

9 October 2026

[1] In the presence of the President of the EIB

1. Adoption of the agenda

The Council adopted the agenda set out in document 13612/26.

2. Approval of "A" items

a) Non-legislative list 13581/26

The Council adopted all "A" items listed in the document above, including all linguistic COR and REV documents presented for adoption.

b) Legislative list (Public deliberation in accordance with Article 16(8) of the Treaty on European Union) 13580/26

General Affairs

1. Regulation on acceleration of permit-granting for defence readiness projects 13479/1/26 REV 1 + REV 1 ADD 1 REV 1
Adoption of the legislative act PE-CONS 44/26
approved by Coreper, Part 2, on 30.09.2026 SIMPL

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union with Austria abstaining (legal basis: Article 114 TFEU).
Statement by Austria is set out in the Annex.

2. Regulation on defence readiness and facilitating defence investments and conditions for defence industry 13481/26
Adoption of the legislative act PE-CONS 45/26
approved by Coreper, Part 2, on 30.09.2026 SIMPL

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union (legal basis: Articles 114, 173(3), 182(4), 183, 188, second paragraph, and 192(1) TFEU).

3. Directive simplifying intra-EU transfers and security and defence procurement 13482/1/26 REV 1 + ADD 1-2
Adoption of the legislative act PE-CONS 46/26
approved by Coreper, Part 2, on 30.09.2026 SIMPL

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union with Slovakia abstaining (legal basis: Articles 53(1), 62, and 114 TFEU).
Statements by the European Parliament and the Council and by Slovakia are set out in the Annex.

Environment

4. Decision amending Decision (EU) 2015/1814 as regards the market stability reserve for buildings, road transport and additional sectors 1C 13484/26 + ADD 1
PE-CONS 47/26
CLIMA
ENV
Adoption of the legislative act
approved by Coreper, Part 1, on 30.09.2026

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union (legal basis: Article 192(1) TFEU).
A joint statement by Denmark, Finland, Luxembourg, the Netherlands, Spain and Sweden and a statement by Estonia are set out in the Annex.

Legislative deliberations
(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

3. Market integration and supervision package 1C 13777/26

a) Directive on further development of capital market integration and supervision within the Union 13778/26

b) Regulation on further development of capital market integration and supervision within the Union 13779/26

c) Settlement Finality Regulation 13775/26
General approach

The Council held a policy debate on the basis of the Presidency compromise texts and room document 14413/26. It agreed to revert to the item at one of its upcoming meetings to reach a general approach on this basis.

4. Any other business

a) Current financial services legislative proposals 1C 13589/26
Information from the Presidency

The Council took note of the information provided by the Presidency about the ongoing work on financial services legislative proposals.

Non-legislative activities

5.	Report on the competitiveness of the banking sector *Exchange of views*	13809/26 12301/26 + ADD 1
6.	Economic and financial impact of Russia's war of aggression against Ukraine *Exchange of views*	
7.	Economic recovery in Europe Implementation of the Recovery and Resilience Facility *State of play* *Exchange of views*	
8.	European Semester 2026: lessons learnt *Exchange of views*	13879/26
9.	Implementation of the economic governance framework	
	a) Medium-term fiscal structural plan: Council Recommendation	13212/26
	b) National escape clause: Council Recommendation *Adoption*	13213/26
10.	International meetings	
	a) Follow-up to the G20 Finance Ministers and Central Bank Governors meeting on 31 August-1 September 2026 *Information from the Presidency and the Commission*	13613/26
	b) Preparation of the G20 Finance Ministers and Central Bank Governors meeting on 15 October and the IMF/World Bank annual meetings	
	i) G20 EU terms of reference	13220/26
	ii) Statement to the IMFC *Approval*	13223/26

11.	Conclusions on climate finance in view of the 2026 UN Climate Change Conference (COP31) (Antalya, 9-20 November 2026) *Approval*	13252/26
12.	Any other business	
	a) Status of the implementation of financial services legislation *Information from the Commission*	13585/26 + ADD 1-2

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① First reading

C Item based on a Commission proposal

Statements to the legislative "A" item set out in doc. 13580/26

Ad "A" item 1: **Regulation on acceleration of permit-granting for defence readiness projects**
Adoption of the legislative act

STATEMENT BY AUSTRIA

"Austria supports the fundamental objective of accelerating permit-granting processes for defence readiness projects, improving the framework conditions for defence-related projects in the European Union, and facilitating the implementation of relevant investments.

Against the backdrop of current geopolitical developments and the changing security situation in Europe, it is important that Member States have the appropriate tools to strengthen the resilience and performance of the European defence technological and industrial base.

In particular, Austria supports measures to improve administrative coordination for defence-related projects. The planned establishment of single points of contact for project promoters, as well as the promotion of digital processes, can contribute to greater transparency and better predictability, and to a more efficient handling of permit-granting processes.

In these respects, Austria is in favour of the general approach and the objectives of the proposal. At the same time, there remain unresolved questions and constitutional concerns regarding individual elements of the procedural setup. Austria therefore abstains."

Ad "A" item 3: **Directive simplifying intra-EU transfers and security and defence procurement**
Adoption of the legislative act

STATEMENT BY SLOVAKIA

"Slovak Republic is of the opinion that the adoption of the proposed Directive would undermine the existing system of oversight and control of trade in defence industry products within the EU, while also creating inconsistencies and inaccuracies in the statistical data that the EU itself requires. For this reason, and in order to ensure adequate oversight and control over trade in these sensitive goods, the Slovak Republic abstains from voting on the proposal of the DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directives 2009/43/EC and 2009/81/EC, as regards the simplification of intra-EU transfers of defence-related products and the simplification of security and defence procurement" [2025/0177 (COD)]"

JOINT STATEMENT BY THE EUROPEAN PARLIAMENT AND THE COUNCIL

"The European Parliament and the Council acknowledge the urgency of establishing a defence-readiness mindset in the European Union and of decisively ramping up Europe's defence readiness by 2030. They recall that the Defence Readiness Omnibus V provides an immediate response to that urgent need by simplifying procedures and reducing administrative burdens in the Union's regulatory framework, allowing Member States to achieve defence readiness by 2030.

The European Parliament and the Council emphasize the importance of taking all appropriate measures to strengthen and further develop the EDTIB, including small and medium-sized enterprises, and of removing bottlenecks in order to enable procurement processes to proceed in a faster and more agile manner, thereby supporting the achievement of capability targets and increasing production capacity across the Union defence industry value chains. They also stress the importance of a well-functioning European market for defence products across the Union, including intra-EU cross-border access to defence supply chains and intra-EU transfers of defence products.

The European Parliament and the Council recognize that further efforts are required to reach Defence Readiness by 2030. The European Parliament and the Council therefore call on the Commission to consider, as appropriate, putting forward as soon as possible any further initiatives necessary to strengthen the EDTIB and foster defence readiness. The European Parliament and the Council stress the need to enhance the Union's strategic autonomy and capacity to respond to emerging security challenges.

For this purpose, the European Parliament and the Council have agreed on important simplifications for Intra-EU transfers of military equipment and defence procurements for the Defence Readiness Omnibus V. At the same time European Parliament and Council acknowledge that diverging views exist regarding the need to include specific eligibility criteria in the context of defence procurement and the instrument to achieve a harmonized implementation of transfer simplification procedures in order to achieve this objective.

In the framework of the review of the defence procurement Directive, further developments should be based on an impact assessment evaluating, inter alia, the effects on the specific needs of defence and sensitive security procurement, administrative burden, the need for enhanced security of supply and the effects of measures to stimulate procurement from the EDTIB. In the framework of the evaluation of intra-EU transfers Directive, future developments should aim at further simplifying transfers of defence products, addressing bottlenecks and strengthening the European market for defence equipment across the Union. All initiatives in the area of defence procurement and intra EU-transfer should take into account national responsibilities.

The European Parliament and the Council agree to examine and assess accordingly the need for any such initiatives without delay and in a spirit of mutual sincere cooperation, without prejudice to the legislative discretion of the co-legislators on the basis of the assessment of the outcome of such examinations."

Ad "A" item 4: **Decision amending Decision (EU) 2015/1814 as regards the market stability reserve for buildings, road transport and additional sectors**
Adoption of the legislative act

JOINT STATEMENT BY SWEDEN, DENMARK, FINLAND, LUXEMBOURG, THE NETHERLANDS AND SPAIN

"Sweden, Denmark, Finland, Luxembourg, the Netherlands and Spain reiterate our support for emissions trading as the key market-based instrument for a cost-effective European climate policy, enhancing predictability and competitiveness for European businesses. We are concerned by recent calls for further amendments to and postponement of ETS2.

The proposed Council decision for an amendment to the MSR-decision is part of a larger ETS2-package, including amendments to the delegated Auctioning Regulation and a Frontloading Facility by the EIB. The package delivers on all suggestions in the letter to the Commission signed by 19 Member States. We expected that this package would prevent a revision or a delay of the system. However, the European Climate Law Negotiations resulted in a 1-year postponement of ETS2.

We are concerned that any further postponement or amendments related to the market-based price of ETS2 would substantially undermine the effectiveness of EU climate policy. Ongoing discussions on additional ETS2 price stabilisation measures or fixed prices are reducing the system's credibility and increase uncertainty for investment decisions by firms and households already today.

Going forward, EU businesses and households need political stability and predictability. Recalling the widely recognised success of ETS1, Sweden, Denmark, Finland, Luxembourg, Netherlands and Spain therefore object to further postponement or amendments related to the market-based price of ETS2, including in the upcoming review of the ETS-directive."

STATEMENT BY ESTONIA

“Commission’s response to Member States’ concerns and the targeted amendment of the Market Stability Reserve (MSR) is welcomed, this represents a necessary first step towards improving price stability under ETS2.

Estonia welcomes the Commission’s commitment to assess price stability measures by October 2027 to ensure that the price does not exceed EUR 45 per unit. We believe it is essential that the Commission considers extending these price measures beyond 2029, as set out in recital 6a.

At the same time, Estonia remains concerned about the predictability of ETS2 prices and the potential socio-economic impacts of the system. The proposed measures primarily address the initial years of implementation, until 2029, and do not provide sufficient assurance regarding long-term price stability in the sectors covered by ETS2.

Estonia is also concerned about the distributional effects of ETS2, particularly for lower-income households and higher costs in parts of Central and Eastern Europe. This underlines the importance of ensuring that the implementation of ETS2 remains socially fair and does not exacerbate existing disparities between Member States.

Thus, it essential to establish a clear vision for the ETS2 framework beyond 2029. We remain in the position that the forthcoming review of the ETS Directive should explicitly cover ETS2 and address its long-term functioning, including issues related to price stability and predictability. Estonia supports further reflection on measures that could strengthen the long-term resilience and effectiveness of the system.

Estonia also considers that opportunities for reducing unnecessary administrative burden of ETS2 should be further explored. Monitoring and reporting requirements should be better aligned with existing obligations under other Union legislation, including RED III, particularly where equivalent data are already collected through established national systems. Such alignment would improve efficiency while preserving the environmental integrity of the framework.

In light of the improvements introduced by the proposal, Estonia is able to support the text. Nevertheless, Estonia would like to highlight its concerns regarding the long-term functioning of ETS2, the need for greater price predictability, and the potential socio-economic impacts of the system and hence retains its overall view that the implementation of the system has to be postponed until these concerns are alleviated."