



## **Statement by President von der Leyen at the joint press conference with President Costa following the meeting of the European Council of March 2026**

Brussels, 19 March 2026

Good evening, let me start with the Middle East. The situation in the region is extremely serious. It is causing great instability, suffering, and growing risks far beyond the region itself. This is why we need de-escalation and maximum restraint, the protection of civilians and civilian infrastructure. And I want to say a word about our partners and friends in the Gulf and the broader region. We stand with them in solidarity and friendship. The European Union is supporting them. Just this week, the Commission announced over EUR 450 million in humanitarian assistance for the region. We also discussed the migration aspect of the crisis. So far, we have not seen migratory flows towards Europe. But we must be prepared. We will not let there be a repeat of 2015. We have learnt the lessons of the past. And today, we are better equipped. We have stronger external borders, and stronger agencies. We have a solid legal framework, the Migration and Asylum Pact. We have strengthened our partnerships with neighbours in the region. And, most importantly, we are united. As Europeans, we know that when we act together, we are stronger.

Cyprus has been directly impacted by this war, more than any other Member State. And we sent a very clear, united signal. The security of Cyprus - as of any Member State - is the security of the European Union. I commend the President's handling of the situation and the Presidency which continues to deliver. As President Christodoulides has said, there is normality and safety in Cyprus. And I look forward to being there in April for the informal European Council.

We also discussed energy. The war's most immediate impact on Europe is on our energy. At present, the European Union's physical security of supply is secure. However, Europe is not immune to global price spikes. As the conflict continues, energy prices continue to fluctuate. Just today, the gas price went up by 30% after attacks on Qatari gas infrastructure. These are reckless attacks on infrastructure and unarmed commercial vessels that raise costs and the question of future supply risks. So in order to minimise the impact, we must take action, and we have discussed this at the European Council. First of all, measures must be temporary and targeted. And that is the logic of the plan I presented today: immediate relief where possible, structural changes where necessary. We will act on all four components that determine electricity prices.

Let me look a bit deeper into that. The first component is, of course, the energy costs themselves, which are the largest share, mostly half of the price, 56% on average in the EU. Member States can already make use of State Aid measures to compensate for the cost increases of the energy source. And we will further flexibilize state aid for this purpose. We also agreed to work closely with the Member States that develop national schemes, to further mitigate the impact of fuel costs on electricity generation.

The second component of the price is grid charges, around about on average 18%. Here we will prepare a legal proposal to improve the productivity of grid infrastructure and allow Member States to reduce grid charges for energy-intensive industries.

The third component of the prices are taxes and levies, around about, on average, in the European Union, 15%. The situation here varies greatly between Member States. In some cases, electricity is taxed much more than gas – partially up to 15 times more. This cannot be. So we will propose to mandate lower tax rates on electricity, And to make sure that electricity is taxed less than fossil fuels.

The fourth and final component is carbon pricing. The Emissions Trading System is working. It has massively reduced gas consumption. Because of that, it has reduced our dependency on imports of fossil fuels, and it has reduced our vulnerability. And it has driven major investments in the energy

transition in the low-carbon energy sources like renewables and nuclear that are homegrown and give us independence. But we need to modernise it and make it more flexible. Therefore, we are preparing four measures: First, we will update the benchmarks for free allocations and take into account the concerns of industry. Second, we will increase the firepower of the Market Stability Reserve to reduce price volatility. These measures will come in the next days. Then we are looking at medium-term measures. That is the third point, we are working on the ETS review, including: a more realistic trajectory free allowances for industries beyond 2034 and a level playing field for our maritime sector. Today, we have agreed to develop these together with Member States and stakeholders. Finally, it is also about investments in clean technology and in decarbonisation. Therefore, we will provide much-needed financial support for our industry. Which is why I proposed an ETS Investment Booster. It will have a budget of 30 billion EUR, financed by 400 million ETS allowances. and the aim is to finance projects for decarbonisation. The key points are speed and solidarity. Speed means first come, first serve, and the moment a project is ready, we have to be ready too. Solidarity is the focus on lower-income Member States will have guaranteed access to this important financial support.

Energy is just one element of Europe's competitiveness and now we turn to the others discussed today. First, on simplification. We will soon introduce a "simplicity by design" approach for future rules. One component that we will soon introduce is a simplicity by design approach for future rules so that we improve the governance and the development of legal text.

Second, we are breathing new life into our Single Market. You know that the biggest hindering factor in the Single Market is fragmentation. Companies often face hurdles when they want to scale in another Member States in the European Union. This is why we have proposed the EU Inc. This makes it easier, faster and cheaper for innovative companies, to start, scale and do business across borders. We also tabled the Industrial Accelerator Act earlier this month. To create lead markets for strategic technologies, right here in Europe. And we will adapt our competition policy. We are urgently reviewing our Merger guidelines; the draft will be presented in April. Global competition has changed and so must our rules. And we will continue building the Savings and Investments Union. Making sure Europe's savings finance our businesses. On the Banking Union, we had a brief exchange. Banks are crucial for our competitiveness agenda, as one of the main funding sources for our companies. So we will come with a banking report earlier, already this summer, to better position and integrate our banking system.

Now, what matters is to move fast. Building on today's discussion, the Commission will soon present its "One Europe, One Market" Roadmap. The Roadmap will set out key legislative measures with a very clear timeline, targets, milestone for delivery by the end of the year 2027. And this Roadmap should be agreed by the Council, the European Parliament and the Commission, and we want to sign it and present it at the informal summit in Cyprus in April.

My final point is on Ukraine. Let me now turn to the EUR 90 billion support loan for Ukraine. A decision was taken by the European Council in December. And there was one condition: that three countries would not participate in the loan. That condition has been fulfilled. So let us be clear about where we stand. The loan remains blocked, because one leader is not honouring his word. But let me reiterate what I already said in Kyiv: We will deliver – one way or the other.

So yes, we have challenging tasks ahead of us, but today we have strengthened our resolve.

Thank you.

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