

State of the Union 2026

Letter of intent

TO **PRESIDENT ROBERTA METSOLA** AND
TO **TAOISEACH MICHEÁL MARTIN**

Brussels, 16 September 2026

Dear President Metsola,

Dear Taoiseach Martin,

Next year will mark the **70th anniversary of the Treaty of Rome**. The core idea was simple: Europe is stronger when we act together. This still holds today. And there is much to be proud of in how Europe has united to take its future in its own hands in the last few years.

This is all the more important as we look at the dramatically changing world around us. War continues to rage on our continent. We are reaching a number of tipping points, such as on the impact of climate change or progress on artificial intelligence. A competition for industrial capacities is shaping global competition. And a battle of narratives is seeking to weaken our democracies. Against this backdrop, **the fate of Europe must stay in the hands of Europeans**.

We have set a clear course and taken major steps to strengthen **European independence**. Now we need to turn these into results. We need to conclude the legislative work currently on the table, implement what we have agreed and enforce our rules. **The time for delivery is now**.

Kickstarting Europe's economy remains our clear focus. We are following up on the Draghi and Letta reports: 54 of the 65 initiatives in the Competitiveness Compass have already been adopted by the College since the start of last year. We are delivering together on the **One Europe, One Market Roadmap**. From capital markets to energy grids, EU Inc. and public procurement – we need to deliver on these together as urgently as possible.

As part of this, I would like to stress the further steps needed to strengthen our Banking Union. Our responses to various crises over the years have left us with complex crisis management arrangements. That means fragmented funding and inefficient use of capital. We will convene a **panel of economists** to come up with recommendations for the reform of the **European sovereign safety net architecture** before the euro summit of March 2027.

2027 will also mark 10 years of the **European Pillar of Social Rights**, our shared commitment to a fairer and more inclusive Europe. The summit to celebrate this anniversary, jointly organised with President Costa, will be vital to upholding the principles of the Pillar. We will invest in skills and delivering a skills guarantee, continuing our work for a stronger social Europe. Delivering on **housing and care** will remain a major priority.

We will continue to focus on making business easier and tackling all of the bottlenecks holding back our companies. We will continue to simplify rules and cut burdens, applying a simplicity-by-design approach for all new proposals. We will focus on **energy prices** and double down on our commitment to **clean, secure, homegrown and affordable energy**. Against the backdrop of rising prices since the start of the Middle East war, we need to preserve our security of supply. We stand ready in this current context to put forward emergency measures if needed.

We will ensure that European companies compete on a **level playing field**. Where any country creates unfair trading conditions for the European Union, we will be ready to respond, including by proposing new instruments. We will also continue to focus on **diversification**, in particular in key sectors for our supply chains and economy. We will keep creating new opportunities for European businesses by strengthening our position as the **world's leading trade power**. We will build bridges with dynamic economies across the Americas, Asia, Africa and the Gulf.

This summer has left Europeans in no doubt about the **impact of climate change**. Droughts, heatwaves, wildfires and floods have again shown the growing cost that climate change has for our people, our economies and our security. The EU Civil Protection Mechanism has shown European solidarity in action. We need to strengthen prevention, preparedness and response before next summer. **Europe needs both climate mitigation and climate adaptation**, and they need to strengthen each other. We need to step up climate adaptation, notably by putting forward measures to address water scarcity and the growing climate insurance gap.

Artificial intelligence is fast becoming a foundational layer for our economy and security. Europe's stance is clear. We need to work with partners and industry to address risks of AI, but also ensure that we draw the greatest benefits for our society and industry. We want to make the most of AI to improve our society, our quality of life and our productivity. At the same time, we need to address the risks of this powerful new technology.

In a more dangerous and uncertain world, **Europe must take greater responsibility for its own security**. We need to turn higher defence spending into stronger European capabilities. The **European Security Strategy** will set out how we prepare for the threats ahead.

Our support for **Ukraine** – Europe's first line of defence – is unwavering. We will continue to push for a comprehensive, just and lasting peace, deepen defence cooperation, support Ukraine on its path towards EU membership and keep up the pressure on Russia, notably by strengthening our

approach to sanctions enforcement. We will continue to work for peace and stability in the **Middle East**.

But Europe faces other challenges too. This summer has shown how quickly pressure can build up at our borders, against our **critical infrastructure** and through hybrid attacks. We need to prepare better to **protect European borders**.

We will make the Pact work on the ground. We will deepen cooperation with partner countries, fight smuggling more effectively and improve returns. We will modernise the Schengen visa framework and keep Europe open to talent. We will also step up cooperation against **organised crime and terrorism**, better protect **critical infrastructure** and strengthen our response to **hybrid threats**.

A safer Europe needs stable and democratic neighbours. That is why **enlargement** matters for our security. Candidate countries have made important progress. As enlargement moves forward, the Union is getting prepared too.

We will also protect our **democratic space**. We will strengthen our resilience against **foreign interference and disinformation** and do more to **protect children online**. We will continue our work for a true Union of Equality, including by following up on the European Citizens' Initiative on conversion practices.

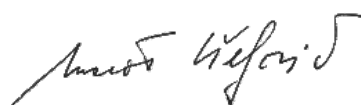
To match the ambitions I have set out in this letter, Europe must have the means to act. Delivering on the next **Multiannual Financial Framework** will therefore be a central political task. We will work together to reach an agreement in time, including on new own resources, so that the Union has the resources it needs, and the new programmes can start from 1 January 2028.

Our priorities reinforce each other. A stronger economy gives Europe more freedom to act. Stronger security protects our economy and our way of life. And when Europe delivers, it earns the trust it needs to act.

Europe is stronger when we act together. Now we must make it count.



Ursula von der Leyen



Maroš Šefčovič

KEY PRIORITIES FOR THE UPCOMING YEAR

New initiatives

Competitiveness and jobs

- Tackling unjustified territorial supply constraints in the Single Market
- Proposal on permitting acceleration
- Bank competitiveness and simplification package
- Transport simplification package
- Diversification package / DiversifyEU
- European Corporation on Critical Raw Materials

Social and inclusion

- Housing simplification package
- European Care Deal
- European University Alliances 2.0
- Skills Guarantees

Security and defence

- European Security Strategy
- Offshore security and safety for energy installations and operations
- International data exchange for police cooperation (Prüm international)
- European Instrument for Strategic Enablers

Climate and resilience

- Review of the heavy-duty vehicles CO₂ standards
- Climate Insurance Alliance
- European Heatwave Plan
- European Water Initiative

Democracy, rule of law and values

- Congress of Europe
- Emergency Response Framework
- Commission Recommendation on banning conversion practices

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