



# COMMENTARY

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## **Portugal Faces Bold and Ambitious Agenda at the Start of its EU Presidency**

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In early July, Portugal took over the rotating EU Presidency. As part of a unique 18-month program that aims to focus three EU presidencies on a common set of goals and themes, Portugal inherited a lengthy and challenging policy agenda from an exceptionally active German presidency. At the top of that agenda are the continued efforts to finalize the reform treaty. However, Portugal has also added its own list of priorities to that agenda, which suggests that the second half of 2007 will be as intense for the EU as the first. In addition to broader EU and Portuguese goals, a number of foreign policy issues will require the attention and strong leadership of the Portuguese presidency.

By far the biggest task of the Portuguese presidency is the drafting of a new treaty during the upcoming Intergovernmental Conference (IGC), which began on July 23 in Brussels. Prime Minister José Sócrates claims that the draft will be ready for signing at an EU summit in Lisbon in October, so that it can enter into force by the 2009 European Parliament elections. However, in order to draft a treaty acceptable to all member states, Portugal will likely have to accommodate various opt-outs and overcome serious obstacles, including Polish and British objections regarding the Charter of Fundamental Rights.

Lisbon has added a special focus on Africa as part of its EU Presidency agenda. An EU-Africa summit is scheduled to take place in December 2007 for the first time in seven years. This is in line with the new Presidency's emphasis on the need to enhance economic and political cooperation between the two continents. More broadly, Portugal hopes to concentrate the EU's attention on the developing world – from Brazil to North Africa to the Mediterranean Middle East – where some Europeans feel America and China have been increasing their influence at Europe's expense.

A whole host of other issues will challenge Lisbon's leadership, including Turkey's increasingly tense relationship with the EU. Portugal is determined to press ahead with the membership negotiations, claiming that the EU has an obligation to honor the commitment it made by formally opening accession talks with Turkey in 2005. It has also pointed out that good relations with Turkey are essential to the EU's relationship with the Muslim world at large. A number of other EU countries, most notably France, strongly disagree. How will Lisbon reconcile these two opposing views? Portugal has ruled out opening a new debate on the subject, but that might be unavoidable as tensions grow. To be sure, the next six months will test the possibilities and limits of the EU's capacity for further enlargement.

But Turkey will not be the only such test. Portugal's other big challenge in the foreign policy arena includes ensuring that the EU speaks with one voice on the final status of Kosovo. Several member states with large ethnic minorities – in particular Spain, Romania, and Slovakia, but also Greece and Cyprus – are cautious about allowing the province to secede from Serbia. With the UN resolution currently deadlocked in the Security Council, and rumors of a unilateral declaration of independence, the fragile European consensus could yet unravel.

Russia will also challenge Portugal in the coming months, particularly as Sócrates has pledged to engage in a dialogue with Russia on "all difficult issues." Bilateral relations between Russia and various EU member states, from the UK to Lithuania, have grown increasingly tense, if not hostile, in recent months and years. The most important opportunity to address these tensions will come at the EU-Russia summit in Lisbon in October, where the two sides are expected to discuss an array of sensitive issues from energy and immigration to the missile defense project and the status of Kosovo. Finally, broader energy security and climate change – two core pillars of the German presidency – will also demand attention throughout the rest of the year. From this perspective, forging and maintaining European unity on any one of these issues will be a sign of success for the EU's common foreign policy project.

At this point, one might justifiably ask what chances a small and relatively poor country such as Portugal has to succeed with such an ambitious agenda. While this will be easier to answer in December than now, it is worth noting that José Sócrates is known as a reformer who has been unafraid to tackle some of the serious problems that kept the Portuguese economy mired in stagnation for decades. He was recently quoted as saying that “Europe cannot stand still,” and that it was necessary to remove “obstacles and blockages that have been holding Europe back for too long.” This kind of rhetoric suggests that Sócrates intends to pursue his European responsibilities as seriously as he has approached domestic problems. This pro-active attitude is likely to resonate with other like-minded European leaders, in particular Angela Merkel and Nicolas Sarkozy, to create a winning combination at the EU’s helm.

While it is only weeks into the Portuguese presidency and far too early to predict success, it appears that Portugal has more potential to live up to the challenges of its EU Presidency than many would give it credit for. At the very least, Portugal’s tenure promises to be an active and interesting one. The way in which Portugal handles the ambitious tasks on the agenda will be a true test of its influence in Europe.

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