

**PORTUGUESE PRESIDENCY OF THE COUNCIL  
A STRONGER UNION FOR A BETTER WORLD  
July - December 2007**

**A Union of  
solidarity between  
equals**

“Union” is the idea binding 27 sovereign European states in a common present and future. A Union open to the States that in Europe share the values on which this project is based: respect for human dignity and citizens’ rights, freedom, democracy, equality and the rule of law. A Union of solidarity between equals, founded on the will of its citizens.

**A moment for  
action**

Portugal takes over the Presidency of the Council conscious that the prosperity of the Member States in the Europe of the future and the well being of its citizens, depend on the decisions we will soon be taking. **This is a moment for action.** It is essential to improve the functioning of the EU through the reform of the Treaties in order to ensure better implementation of the Lisbon Strategy and more efficient external action. This is the way in which we can influence our position in a globalised world.

**Seeking the  
common interest**

The Portuguese Presidency is founded on a clear assumption: we are committed to seeking the common interest and to generating the necessary consensus for Europe’s progress.

**Operational basis**

The 18-month Programme in force since January 2007, drawn up with Germany and Slovenia and endorsed by the General Affairs and External Relations Council, forms the operational basis for the Portuguese Presidency. It outlines work to be implemented through the various Council formations, in close cooperation with the European Parliament and with the Commission which has the right of initiative in numerous areas.

## FUTURE OF THE UNION

### **Completing the integration of Member States and Institutions**

On 25<sup>th</sup> March we reaffirmed our commitment to Europe's values and ambitions. We all recognise that we have a unique experience of living and working together in the EU, through the interaction between the Member States and the institutions. It is now time to improve that interaction and the working of the institutions to build a better future for our citizens.

### **IGC — a precise mandate**

The European Council delivered to the Portuguese Presidency the mandate to call an IGC. Its objective is clear: to draw up a Treaty amending the existing Treaties with a view to enhancing the efficiency and democratic legitimacy of the enlarged Union, as well as the coherence of its external action. The mandate is precise: it provides the exclusive basis and framework for the work of the IGC. The timetable for completing this task is defined.

### **The need for political will**

We shall carry out our work in accordance with the expressed will of the Member States; but all participants will have to demonstrate the same political will during the IGC. Moving forward is the only political route that will be open to us.

### **Enlargement**

The reform of the Union should facilitate the fulfilment of existing commitments on the enlargement process, commitments that must be respected. The benefits of the enlargement process are obvious, through its contribution to peace, stability and prosperity in Europe. The EU should develop and consolidate these gains.

### **A European perspective for the Western Balkans**

The development of a European perspective for the Western Balkans has been a central feature of the EU's agenda. The efforts to stabilise these countries must be consolidated and the reform process necessary to bring them closer to the Union must be intensified.

### **Schengen and SISone4ALL**

Portugal has already demonstrated the importance it attaches to the free movement of people in Europe, through the SISone4ALL

proposal. The human dimension is one of the cornerstones of the Union. Our aim remains to open the way for the abolition of border controls between Schengen area Member States, before the end of this Presidency.

### **Euro area**

In order to allow that the Member States meeting the requirements laid out in the Treaties may join the Euro Area, the Portuguese presidency will ensure that the necessary procedure are in place.

## LISBON STRATEGY

### New cycle

2007 is the first year in which all the instruments of the Lisbon Strategy are being applied in a concerted manner. It is also the moment to prepare for the new cycle which will be launched in 2008. Portugal is already contributing to this effort, in close consultation with the Commission and the next Presidency.

### • Economic Dimension

### Public finance

Improving the quality of public finances in the EU is essential in order to ensure solid economic growth, as well as the long term sustainability of economic and social policies. The impact of modernisation of public administrations on competitiveness and growth will be examined during the Portuguese Presidency.

### Internal market

Ensuring that the Internal Market functions more efficiently is a key objective for the Europe of the future we seek to build. The Presidency will create the conditions for the establishment of a new agenda on the Internal Market, on the basis of a Commission Communication. Particular attention will be paid to the internal market for financial services, as well as to the fight against tax evasion and fraud. Postal services are also a subject for attention.

### SMEs and Industrial policy

The mid-term review on industrial policy and on policy towards small and medium-sized enterprises (SMEs), will merit specific treatment. They are the backbone of Europe's business sector. We will foster a debate focused on strengthening the competitiveness of SMEs, including their access to financing.

### Culture and Tourism

The development of tourism and cultural industries are important areas for growth and sustained job creation. Portugal will organise a European Cultural Forum and a European Tourism Forum, in order to underline the necessity of these areas in our common agenda.

**Better  
regulation**

Increasing the efficiency of the Internal Market will not be viable without legislating better, reducing bureaucracy and eliminating administrative burdens. We will continue to take forward the "Better Regulation" programme.

**Triangle of  
knowledge**

Strengthening the triangle of knowledge – innovation, research and education – is vital to allow Europe to compete and make its distinctive mark on globalisation.

**Innovation**

The Portuguese Presidency will continue work on the Action Plan for Innovation and will promote a debate on the future of policy on research and technology in Europe. It will also contribute towards the establishment of a European policy aiming to attract highly skilled workers. Modernising higher education and life-long learning are essential components of this vision.

Portugal will strive to ensure that a final decision on the Regulation for the European Institute of Technology is taken as soon as possible.

**Cohesion and  
ultra-peripheral  
regions**

We will support cohesion as a central policy of the Union and will encourage a conceptual debate on the subject. In this context, we will seek to give due attention to the specific role of the outermost regions of the Union.

**Maritime affairs**

The maritime domain calls for an integrated approach. We will work towards the definition of a European Maritime policy based on the Action Plan to be presented by the Commission. A high-level conference on this issue will be held in Lisbon. We will endeavour to conclude the negotiations on the Marine Environment Directive and initiate discussions on the Commission legislative proposal on fishing. In the transport sector, the key areas will also be the negotiation of the Third Maritime Safety Package and the initiatives linked to the "Motorways of the Sea".

- **Social and Employment Dimension**

**European Strategy  
for Employment**

The 10<sup>th</sup> anniversary of the European Employment Strategy will provide the opportunity for a debate on the role of employment policies and methods of coordination. The central aim is to promote the creation of more and better jobs.

**Flexicurity**

In this context, the search for a balance between flexibility and security in the labour market, requires that adequate consideration be given to several elements: life-long learning, social protection mechanisms, active labour market policies, functional flexibility and the differences between the situations and models of the Member States. It is within this framework and while ensuring the participation of the social partners, that we can provide a contribution towards the definition of shared common principles at European level.

**Social  
responsibility**

Social responsibility is one of the foundations of the European model. Social inclusion, the fight against poverty, in particular child poverty and reconciling work with personal and family life are the priority themes for the Portuguese presidency. We will also seek to include a gender-based perspective in all policy domains. The way we deal with these questions influences the perceptions that our citizens have of the European institutions.

- **Energy and Environmental Dimension**

**Sustainable  
environmental and  
energy model**

Dealing with climate change and making progress towards a sustainable environmental and energy model are priority actions. There is a need to make this concept operational and to consolidate the EU's leading role.

**Energy**

Making the internal market for gas and electricity a reality is a key objective. The Portuguese Presidency is ready to steer the debate, following the proposals which the Commission will present.

Attention will also be given to the following questions: the requisite legal framework for renewable energies, the adoption of the European Strategic Energy Technology Plan (SET-PLAN), energy efficiency and the EU initiatives on the external aspects of energy policy.

**Environment**

The Portuguese Presidency will continue the necessary preparatory discussions for the United Nations Bali Conference on climate change. Within the EU, we will address the issues of water scarcity and drought resulting from climate change. These are frequent and devastating occurrences that require a common approach and adequate response mechanisms.

**Biodiversity**

Halting the loss of biodiversity is an imperative for any Presidency. We will seek to involve the business world, by holding a conference on the theme of "Business and Biodiversity".

**STRENGTHENING THE AREA OF FREEDOM, SECURITY AND JUSTICE****Global approach  
to migration**

Apart from freedom of movement for people in the Union, the principal goal of the Portuguese Presidency in this area will be to implement the “Global Approach to Migration”. There is a need to intensify the partnerships between the EU and countries of transit and origin of migratory flows.

An approach to migration issues wholly centred on illegal migration would be simplistic. The Portuguese Presidency will also foster a debate, in various fora, on the promotion of legal migration channels, the integration of migrants, health and migration, as well as the links between this issue and development policy, readmission and circular migration.

We shall organise a high-level conference on legal migration and a “EuroMed” ministerial meeting on migration.

**Legal migration**

We will develop the policy on legal migration, based on the proposed Directives on the definition of common rights of third-country nationals in legal employment in a Member State and on conditions of entry and residence of highly skilled workers.

**Illegal migration**

The Portuguese presidency will continue the negotiations on a Directive providing for sanctions against employers of illegal migrant workers. It is also a priority to conclude the negotiations on the proposal for a Directive on common standards and procedures in Member States for returning illegally staying third-country nationals.

**Southern maritime  
border**

The Mediterranean and Africa are obvious priority areas for action, though not the only ones. The reinforcement of our southern maritime border is an urgent imperative. There is an urgent need to strengthen the capacities of FRONTEX and develop an integrated system for managing the external borders of the Union.

- E-justice** Placing justice at the service of citizens and businesses is a central task for the Portuguese Presidency. E-justice and mediation are essential instruments in this aim.
- Data protection** The cross-border protection of personal data is essential to having a high level of trust, cooperation and efficiency in criminal justice. Particular attention will be paid to the Framework Decision on the the protection of personal data processed in the framework of police and judicial cooperation in criminal matters.
- Combating terrorism** The implementation of the European Union Strategy on Counter-Terrorism, in particular as regards bio-preparation, is also a priority.
- Prüm** The integration of the Prüm Treaty in the “acquis” will be continued.

## EUROPE AND THE WORLD

### Projecting our values

The objectives of the Union will be viable only if we are successful, together, in projecting our values in an increasingly interdependent world. The peace and security we enjoy have to be underwritten by the response Europe offers to global challenges.

Our capacity to speak out has to be strengthened. Tackling climate change, promoting economic and social development, dealing efficiently with migration, fighting organised crime and people trafficking, and combating terrorism are some of the challenges that require leadership and shared responses.

Portugal will pay particular attention to questions of disarmament and non-proliferation.

### A fresh approach to the Mediterranean

We also seek to develop a fresh approach towards the entire Mediterranean region. Its strategic relevance to the EU is clear. The instruments already at our disposal need to be properly applied, in particular those of a financial nature, but *there is a need to think beyond them*. It is necessary to intensify our political dialogue with partners on the Southern and Eastern borders to respond to challenges that require common solutions. Stability in both regions is interlinked.

### Africa

Africa and Europe have a recent history of missed opportunities. The time has come for them to develop a Joint Strategy. We have to act together and, externally, be seen to act in a concerted manner. The emphasis we place on the holding in Lisbon of the Summit between the EU and Africa stems from this perception.

### Transatlantic relations

Strengthening transatlantic relations is a priority task. The Portuguese Presidency will contribute to furthering Transatlantic economic integration.

**Latin America  
and MERCOSUL**

Portugal has actively promoted closer ties between Europe and Latin America and the Caribbean. There is a large convergence of values and interests between the two regions. The negotiations on an association agreement between the EU and Mercosul should be given a new impulse. We also envisage the launching of negotiations, with a similar goal, with Central America and the Andean Community.

**Brazil**

The Portuguese Presidency will develop a specific political dialogue with Brazil. We shall be organising the first EU-Brazil Summit. It will be the launching point for the establishment of a strategic dialogue that reflects the international influence of both sides.

**Strategic partners  
and Ukraine**

The deepening of the relations between the EU and other strategic partners will be pursued. Summits with China, India and Ukraine will be at the political core of our common external agenda. We will act in close cooperation with our EU partners in order to create the conditions to take the EU-Russia relationship forward.

The Portuguese Presidency will take further the work carried out by the EU, with all the relevant international partners, in closely following the prolonged crisis in the Middle East. The role of the Quartet in the Middle East Peace Process is crucial.

The Union will maintain its constructive approach in the handling of the situations involving Afghanistan, Iran and Iraq.

**Trade and ACP  
countries**

We will maintain the European commitment to an international multilateral trading system. We will continue to pursue the goal of integrating ACP countries into the world economy.

**Fostering strategic cooperation** The EU has ambitious goals for sustainable development. It will not be able to meet them without converging international efforts. Making international cooperation more robust, through a new generation of external policies and effective multilateralism, will be essential to finding solutions to global challenges.