



EU Council Presidency Guide

Corona - Presidency Part II

Portugal Prepares for the Aftermath of the Pandemic

Portugal will take over the rotating presidency of the Council of the European Union on January 1, 2021. Lisbon is following Germany and preceding Slovenia as part of the so-called 'GPS-presidency' trio, marking the fourth Portuguese EU Council Presidency since the country joined the European Economic Community in 1986.

It's a packed agenda: Portugal needs to steer the EU towards a post-COVID-19 world and seek unity amongst Member States on the fundamental direction of the European Union. In addition to the daily challenges the bloc will face in light of the pandemic

and its economic disruption, a range of important topics will dominate the Council agenda in 2021. Among the priorities are the completion of the Economic and Monetary Union, establishing the post-Brexit UK-EU relationship, promoting multilateralism as a political value in the EU's relationships with Africa and India and aligning climate change, digital transformation and social inequality.

The following outlines challenges that lie ahead and how companies can address them in this new situation.

Getting Europe back on its feet

If the German Presidency managed to broker a difficult agreement on the approval of the European financial package, the Portuguese Presidency will now have to take up the challenge of showing Europeans and the world that the EU is more united than ever. At the turn of the year, Europeans already feel the economic and social consequences of the crisis. That is why it is crucial for the Portuguese Presidency to skillfully and swiftly push for the approval of the national Recovery and Resilience Plans. Augusto Santos Silva, the Portuguese Minister of Foreign Affairs, recently stressed that the Portuguese Presidency will have the complex task of approving more than 40 legislative files that will be necessary for the financial «bazooka» to reach EU Member States as soon as possible.

Brexit will cast a shadow over the Portuguese Presidency and the way Lisbon will help manage the implementation of national vaccination plans will be crucial for the ongoing crisis management.

The socialist majority Portuguese government will focus on the Social Pillar as one of its top priorities, underlining the importance of reducing the asymmetries between North and South, between peripheral areas and within EU Member States themselves. The implementation of the European Social Rights Pillar (EPSR) will demonstrate the Portuguese commitment to the motto “no one left behind”.

Finally, there are also practical limitations to the Portuguese Presidency imposed by the ongoing pandemic. At this point, plan C - limiting events and face-to-face meetings as much as possible – will dominate the first quarter. From the second quarter onwards, it is hoped that plan B - hybrid of face-to-face meetings and conferences with online meetings – will be possible. There is little hope for plan A, a pre-pandemic scenario without any kind of meeting limitations.





Why Portugal needs a successful EU Council Presidency

The Portuguese government led by António Costa needs a successful EU Council Presidency. The economic impact of the Covid-19 crisis has especially hit the tourism sector, one of the major engines of development of the country during the last decade. Other sectors fear that the worst is yet to come. If financial responses, both national and European, do not begin to have the desired impact, social tensions in the country are expected to escalate.

Portugal also faces political instability. Despite winning the 2019 elections, the Socialist party has been forced to rely on the political left to govern and help pass its proposals through Parliament. A recent split with one of its key allies, the Left Bloc, over the vote of the 2020 budget has strained the alliance – endangering the government's capacity to act.

Still, the Portuguese have given the government a vote of confidence, possibly because the ideological nature of the government has led to greater state intervention in the economy. But many wonder: at what cost? So far, the largest opposition party on the right, the PSD, has shown some agreement with the government, subscribing to so-called "wartime" consensus. Whether

this attitude will continue into 2021 is uncertain at best, as new right-wing parties have gained importance and may force the PSD to become more critical of government action to counter their growing influence.

The next presidential elections will take place during the Portuguese Presidency. According to recent polls, the current President, Marcelo Rebelo de Sousa, is likely to be re-elected on January 24, 2021. While Marcelo was the leader of the main opposition party, the PSD, the ruling socialist party has decided to support his reelection against left-leaning candidates. While this is justified on the grounds of good institutional relations, the socialists' real goal is to share in his electoral victory and ensure the President's continued tolerance for governmental action, ensuring unity in times of crisis.

In sum, the Portuguese EU Council Presidency could be an 'oxygen balloon' for this government. Unfortunately for Costa and the PS, it will only last for six months. There are high hopes that, as it has already demonstrated in its past Presidencies, Portugal will be able to perform beyond expectations and steer Europe through these challenging times.

Key stakeholders to watch during EU2021PT



Prime-Minister
António Costa



**Minister of State
and Foreign Affairs**
Augusto Santos Silva



**Minister of State and
Economy and Digital Transition**
Pedro Siza Vieira



Minister of Health
Marta Temido



**Minister of Labour,
Solidarity and Social Security**
Ana Mendes Godinho



**Minister of Environment
and Climate Action**
João Pedro Matos Fernandes

Useful Links for EU2021PT

EU2021PT

[https://
2021Portugal.eu](https://2021Portugal.eu)

@
2021PortugalEU

António Costa

- <https://twitter.com/antoniocostapm>

Pedro Siza Vieira

- <https://twitter.com/pedrosizavieira>

Government

- <https://twitter.com/govpt>

**Portuguese Institute for International
Relations (IPRI) Twitter:**

- <https://twitter.com/iprinova>

The 5 Priorities of EU2021PT

The Portuguese Presidency will be defined
by 5 strategic priorities:

Resilient Europe

The Presidency will seek to leverage EU funding under the new MFF and the Next Generation EU instrument to ensure the EU's recovery and resilience while bolstering strategic autonomy.

Social Europe

In the wake of the pandemic, the implementation of the European Pillar of Social Rights will be a common theme for the Presidency, with discussions culminating in a Social Summit in Porto in May to ensure no one is 'left behind'.

Green Europe

Linking economic recovery to an ambitious green agenda, the Presidency will focus on the European Green Deal and the European Climate Pact to enable the conditions to turn Europe into the first carbon-neutral continent by 2050.

Digital Europe

Building on its national priorities, the Presidency will seek to drive the digital transition and promote European leadership in innovation, increase competitiveness and strengthen digital autonomy through the planned European Data Entry Platform, a digital infrastructure project.

Global Europe

Portugal will take its green and digital priorities global, looking to further cooperation on these issues while also focusing on the new relationship with the UK and strengthening ties with China and Africa.

Timetable

February

- > COMPET Informal Ministerial Meeting - Research and Innovation
- > Launch of the EU's Framework Program for Research and Innovation
- > EPSCO Informal Ministerial Meeting
- > Eastern Partnership Summit
- > Climate Change Conference

April

- > ECOFIN Informal Ministerial Meeting
- > Informal Meeting of Energy Ministers (TTE)
- > Informal Meeting of Environment Ministers
- > Green Hydrogen and Energy Transition Conference
- > Europe-Africa Economic Investment Forum

June

- > European Council
- > Informal meeting of agriculture and fisheries – Agrifish
- > Conference on Digital Education
- > Launch of “Digital with a Purpose” initiative
- > Conference on the Sustainability of the Oceans
- > Recovery Conference – Shaping European Growth (tbc)

January

- > Official Opening Ceremony
- > EYCS Informal Ministerial Meeting – Education
- > Informal Meeting of Justice and Home Affairs Ministers

March

- > European Council
- > Informal Meeting of Defense Ministers
- > Informal Meeting of Foreign Affairs Ministers – Gymnich
- > COMPET Informal Ministerial Meeting – Internal Market and Industry
- > Informal Meeting of Transport Ministers (TTE)
- > Climate Law Conference (not confirmed)

May

- > Social Summit
- > Informal Meeting of Heads of State or Government
- > EU-India Leaders Meeting
- > GAC + GAC Cohesion Informal Ministerial Meeting
- > Conference on the Euro
- > Conference about Green Mining (TBC)

What Brussels expects from EU2021PT

The 'Brussels bubble' expects to inherit the 'Corona-Presidency' from Germany including the same external constraints, issues and challenges. The COVID-19 crisis will still have a strong influence on the EU agenda in the first semester of 2021, meaning the EU should prioritise the health response, the social dimension and the economic recovery. The real challenge – but also opportunity – for Portugal will be to prepare for the post-COVID-reality.

There are hopes that the EU agenda and its working methods will eventually normalise during the first months of 2021, even though the challenges coming from the crisis are still active and make negotiations difficult. The Council will have to be more present than ever since the time to respond to COVID-19 demands is very short. Since the treaty of Lisbon, a lot has changed re-

garding the function of the EU Council Presidency, meaning that there is no real playbook for the incoming Presidency; it will need to improvise and expect the unexpected. Moreover, the role of the Presidency as an 'honest broker' is usually shifted in a crisis situation, requiring even more coordination and negotiation between Member States and the EU institutions than in normal times.

Amongst the many topics and challenges the Portuguese EU Council Presidency needs to deal with, two emerge as critical. One is where Europe stands regarding the transatlantic relationship and what this means for the bloc's stance on China. Linked to this question is Lisbon's ability to demonstrate progress concerning the 'Conference on the Future of Europe' which has been neglected so far in light of the Corona-crisis.



What does it mean for companies and organizations?

Uncertainty continues to rule. The upcoming Presidency has set out a clear agenda, but still needs to cope with the unpredictability of the ongoing Corona crisis.

Companies need to navigate and understand the dynamics of the public agenda and shifting political priorities. More than ever, intelligence and access will be critical to ensure that companies are heard and their issues put on the agenda. Portugal wants the Presidency to be a success in regards to Covid-19 and beyond.

At APCO and ATREVIA, we can help you to make the Presidency a success for your issues and business.

1. Intelligence

Understand the new environment of Covid-19 and communication risks and opportunities during the Portuguese Presidency, through APCO Insight data crunching.

2. Narratives

Leverage communication opportunities with new/ refocused narratives and proactive outreach.

3. Virtual stakeholder engagement

Prepare and implement innovative approaches to digital advocacy and identify new ways of engagement to help navigate through the Portuguese EU Presidency in times of physical distancing.

4. Digital campaigning

Implement a digital first approach and drive the agenda through digital engagement.

5. Training and coaching

Prepare experts and spokespeople to master the pitfalls and opportunities of digital stakeholder engagement.

6. Driving the innovation agenda

Bring crucial innovations to the attention of political stakeholders and the market, and leverage Covid-19 as a driver for digitalisation, a high priority for the Portuguese EU Council Presidency.

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