

PA Briefing

Portugal's Presidency of the Council of the EU

1st January – 30th June 2021

The [Portuguese Presidency of the Council](#) began on [Friday 1st January 2021](#). It ends on 30th June 2021 and is the second Presidency of the EU-Presidency-Trio: Germany – Portugal – Slovenia. These three Presidencies have agreed on a [18 month programme](#), in order to ensure a degree continuity in Europe's response to the COVID-19 pandemic. During the period of the Portuguese EU Presidency, Portugal will chair all meetings of the Council and all preparatory bodies such as committees and working groups.

The Portuguese Presidency outline

The Portuguese Presidency of the Council of the EU takes place at a particularly challenging moment, not only with much of the world in turmoil, including in Europe's close neighbourhood, but also when the COVID-19 pandemic and its socio-economic consequences represent an unprecedented trial for the European Union and its Member States.

In the second half of 2020, the German Presidency of the Council of the EU concluded several important agreements, after rounds of uneasy negotiations. The post-Brexit trade deal and the EU budget have been agreed, as well as the new Commission's climate and migration policies.

The Portuguese Presidency is now tasked with the implementation of these agreements. However, the Presidency also assumes its 6-month leadership of the Council with its own clear priorities. According to the official document presented by Portugal, "the presidency will aim at strengthening Europe's resilience and people's confidence in the European social model by promoting a Union based on the common values of solidarity, convergence and cohesion."

Portugal takes over the Presidency with three major priorities for the EU:

- To promote a recovery leveraged by the climate and digital transitions;
- To implement the European Pillar of Social Rights of the European Union as a distinctive element for ensuring a fair and inclusive climate and digital transition;
- To strengthen Europe's autonomy whilst remaining open to the world, taking a leading role in climate action and promoting a digital transformation in the service of people.

Specifically, Portugal's agenda for the Presidency is divided into five clusters: Resilient Europe, Social Europe, Digital Europe, Green Europe, and Global Europe.

A very illustrative introduction to the outline of the Portuguese Presidency, including a 'who's who', can be found in [this publication from "Erste Lesung"](#).

What is in it for donors and foundations?

The PA team has looked at the Portuguese presidency's priorities, and there appear to be plenty of potential hooks for our policy asks. These include the implementation of several of the Commission's action plans, including the **European Democracy Action Plan**, the **Action plan for a comprehensive Union policy on preventing money laundering and terrorism financing** or the **Action Plan for Economic and Monetary Union**.

Here is a breakdown of the 5 clusters highlighted as priorities for the Portuguese presidency, and details on the legislative areas that the foundation sector might look to develop further in the coming 6 months:

1. Resilient Europe

Multiannual Financial Framework (2021-27) and Next Generation EU

Among the Portuguese Presidency's most pressing priorities is ensuring effective implementation of the new EU Budget: the [MFF and Next Generation EU](#), and particularly its [Recovery and Resilience Facility](#). PA has engaged extensively on these files during the German Presidency and will continue to closely monitor implications for foundations and civil society throughout their implementation.

In this context, the Presidency will organise the **high-level conference on recovery, to be held in Lisbon in June**, to discuss the economic and financial situation, taking into account the national recovery and resilience plans.

Action Plan for Economic and Monetary Union

The Presidency will give priority to the [Action Plan for Economic and Monetary Union](#). The action plan looks to ensure that the Europe's COVID-19 recovery reaches all of society, along with strengthening of the sustainability of Europe's banks and capital markets. Amongst the relevant proposals that the European Commission will announce are the completion of the Banking Union, Sustainable corporate governance and deepening the Capital Markets Union (CMU).

The Action Plan has three key objectives:

- Ensuring that the EU's economic recovery is green, digital, inclusive and resilient by making financing more accessible for European companies, in particular SMEs;
- Making the EU an even safer place for individuals to save and invest in the long-term;
- Integrating national capital markets into a genuine EU-wide single market for capital.

To do this, the Commission has put forward [sixteen targeted measures](#) to make real progress to complete the CMU, including:

- Lower costs for cross-border investment by simplifying withholding tax procedures
- Foster more similar insolvency rules across Member States.
- Enable cross-border shareholders to better exercise their rights.
- Enhance the cross-border provision of settlement services in the EU
- Establish a consolidated source of data about trading conditions across all EU trading venues to foster competition.
- Strengthen the protection of investments and further facilitate cross-border investments.

- Enhance the single rulebook for capital markets and foster progress towards supervisory convergence.

Responsible Commissioner: Paolo Gentiloni

Anti-Money Laundering (AML) and Terrorist Financing

The Presidency will implement the [EU action plan on preventing money laundering and terrorist financing](#).

Responsible Commissioner: Valdis Dombrovskis

Horizon Europe

The Portuguese Presidency will give visibility to the launch of the [Horizon Europe](#) programme in Lisbon, scheduled for **February**. Horizon Europe seeks to support European partnerships with EU countries, the private sector, foundations, and other stakeholders. The aim is to deliver on global challenges and industrial modernisation through concerted research and innovation efforts.

Responsible Commissioner: Mariya Gabriel

Conference on the Future of Europe

While work on [the Conference on the Future of Europe](#) could not start due to COVID-19, the Portuguese Presidency is expected to work further on progressing this initiative. The Presidency will do its utmost to ensure that the Conference on the Future of Europe is an opportunity for a discussion involving institutions and citizens on the directions and results of European policies, seeking the best ways to move forward in the process of European integration and meet citizens' expectations. The final concept structure, scope and timing of the conference will be defined in a Joint Declaration signed by the European Parliament, the Council and the European Commission, acting as equal partners. Currently the major obstacle is the leadership of the Conference, with the European Parliament's choice, Guy Verhofstadt, having been rejected by several national governments in the Council.

Responsible Commissioner: Dubravka Šuica

European Democracy Action Plan

The purpose of the [European Democracy Action Plan](#) is to ensure that citizens are able to participate in the democratic system through informed decision-making, free from unlawful interference and manipulation. The action plan will also build on the lessons learnt from the Covid-19 crisis and include measures on electoral integrity, media freedom, media pluralism and disinformation. Presented by the Commission in December 2020, the Portuguese presidency will oversee the beginning of a gradual implementation process expected to last until 2023.

Responsible Commissioner: Věra Jourová

Rule of Law Mechanisms

The Presidency will continue to pay attention to the various mechanisms put in place to strengthen

the rule of law in the Union, including the [new annual report](#) published by the European Commission and its discussion in the Council. They will organise a high-level conference on the rule of law to be held in Coimbra in **May**.

Responsible Commissioner: Didier Reynders

2. Social Europe

European Pillar of Social Rights

The implementation of the Action Plan for [the European Pillar of Social Rights](#) is a major priority for the Portuguese Presidency. The Pillar includes 20 principles targeted at developing more effective citizens' rights in three areas:

- Equal opportunities and access to the labour market
- Fair working conditions
- Social protection and inclusion

The Presidency plans to hold a **Social Summit in Porto in May 2021**. The Social Summit will be a central moment of the Portuguese Presidency with two key events: a High Level Conference (7 May) with broad participation, and a Leaders' Meeting (8 May) at the invitation of the President of the European Council. This high-level meeting will be an opportunity to emphasise the Pillar's central role in Europe's recovery and adaptation to climate, digital and demographic transitions. It will also be an opportunity to strengthen the dialogue with social partners and citizens. The areas of employment and jobs, equal opportunities, inclusion and diversity, social protection and health will take centre-stage.

Responsible Commissioner: Nicolas Schmit

European Solidarity Corps

The [European Solidarity Corps](#), due to be confirmed this month following successful [trilogue negotiations last month](#), will be formally launched by the Portuguese Presidency in Viana do Castelo in **June**. The programme provides volunteering opportunities for young Europeans aged 18-30 (18-35 for humanitarian aid projects), as well as traineeship and job opportunities in a range of fields.

Responsible Commissioner: Mariya Gabriel

Note: The European Commission's [European Action Plan for the Social Economy](#) is being prepared now and will be launched in Autumn 2021 – during the Slovenian Presidency.

3. Green Europe

European Green Deal

With the implementation of the Green Deal a core focus for the new Presidency, Portugal will host a **conference on climate change in March** and a conference on **green hydrogen in the energy transition in April**, both in Lisbon.

Commission proposals set to be adopted during the Portuguese presidency include:

- Framework for achieving climate neutrality (2020/0036(COD)),
- the Fit for 55 package, which includes: the revision of the EU Emissions Trading System; Carbon Border Adjustment Mechanism; Effort-sharing Regulation; revision of the Regulation on the inclusion of greenhouse gas emissions and removals from land use; land-use change and forestry; revision of the Energy Tax Directive and of the Directive on deployment of alternative fuels infrastructure; and reducing methane emissions in the energy sector
- Biodiversity and toxic-free environment
- Sustainable and smart mobility

Responsible Commissioner: Frans Timmermans

4. Digital Europe

White Paper on Artificial Intelligence (AI)

The Portuguese Presidency plans to follow up on the Commission's [White Paper on AI](#), the result of a series of public consultations which will form the basis of a common **European Approach to Artificial Intelligence**, expected in 2021. Major events for the Presidency for digital policy include a '**Digital Day**' in **March**, followed by a '**Digital Assembly**' in Lisbon in **June**.

Responsible Commissioner: Margarathe Vesteger

5. Global Europe

Among the Portuguese presidency's foreign policy priorities are the EU's future [relationship with the UK](#), building upon the recent trade deal by working towards a comprehensive, equitable and balanced partnership that respects the interests of the Union and of its Member States.

Looking further afield, other key events include an **Eastern Partnership Summit** due in **March**, a **summit with India** (date TBC), and the anticipated re-focussing on transatlantic relations, following the election of the Biden administration in the United States.

Responsible Commissioner: Josep Borrel

For any questions, please contact the PA team: contact@philanthropyadvocacy.eu

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