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THE 3RD EUROPEAN-BRAZILIAN SUMMIT ON OCTOBER 6TH IN STOCKHOLM

EPECTATIONS AND PROSPECTS

When in July 2007, on occasion of the first European-Brazilian Summit in Lisbon, the new strategic partnership between the EU and Brazil was agreed upon, one might have been skeptical. On the one hand, it was most decidedly an acknowledgement of Brazil's new role within the global setup and an upgrading of bilateral relations. On the other hand, however, the EU has already entered into a series of such partnerships, which, for example, in the case of Russia, have not yet achieved a meaningful content.

Critics are even of the opinion that above all, one resorts to such a stratagem, when real issues become so insurmountable that a dialogue may only be upheld with such maneuvers. On occasion of the second summit in December 2008 in Rio de Janeiro, under French Presidency, the EU played a rather secondary role to President Sarkozy and his own country. Now the third summit looms on the agenda and at stake are the importance and meaningfulness of this strategic partnership for both Brazil and the EU. For more information and an analysis of the agenda see the article by Andrea Ribeiro Hoffmann.

It is also a touchstone for the joint European foreign policy: traditionally, the relations of the EU with Latin America have been dominated by Spain and to a much lesser degree by Portugal. Hence, it was no coincidence that the partnership took shape

under Portuguese presidency. However, France also harbors special interests with regard to Brazil, which led President Sarkozy to take part in the Brazilian Independence Day festivities on September 7th, in order confer with President Lula on the sale of French armament (submarines, fighter-planes) worth billions; an important competitor with regard to the fighter-planes comes with Saab from Sweden. Thus, the EU foreign representation might also prove useful as a platform in the furtherance of domestic interests.

Shall it now really become possible to develop the partnership into an instrument comprising the EU as a whole? If so, the Europeans should become aware that the importance of their member countries for Brazil is bound to decrease steadily, with only the EU becoming acknowledged as a partner on equal terms. This is emphasized by a study conducted in 2001 and 2008 among the country's foreign-policy elites, wherein interviewees when asked, about Brazil's geopolitical priorities pointed to the distinct loss of importance undergone by European countries, such as Germany, France and Great Britain, whereas the BRIC countries (Brazil, Russia, India and China) along with South-American neighbors and



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www.kas.de/brasilien www.kas.de African countries have gained in importance.¹

On the Brazilian side much importance is given to this "at-eye-level" dialogue and regardless of all the acknowledgements of the Mercosur (which, in addition to Brazil, includes Argentina, Paraguay and Uruguay) one is not willing to multilateralize the relations with the EU. Thus, at the end of 2008, one witnessed the formation of a group of parliamentarians in Congress for the promotion of the relationship with the European Union. These senators and representatives are now fervently demanding that the European Parliament follow suit so that Brazil is no longer dealt with only in the Delegation (Parliamentary Group) for the Mercosur. It has to be seen if the European Parliament will be ready and willing to deepen the strategic partnership with this instrument of "parliamentary diplomacy".

Andrea Ribeiro Hoffmann²

The third Summit between the European Union and Brazil shall take place on October 6th 2009, in the city of Stockholm, capital of the country exercising the Presidency of the European Union Council during this second semester of 2009. Brazil's President Luiz Inácio Lula da Silva, Sweden's Prime Minister Fredrik Reinfeld and the European Commission's President, José Manuel Barroso shall take part in the meeting. The first Summit took place in Lisbon on July 4th 2007, when the Strategic Partnership between the European Union and Brazil was entered into, and the second on December

22nd 2008. Whereas up to the previous Summit there had been a prevalence of statements and manifestations of interests from both sides, for the third Summit one expects the announcement of concrete progress resulting from the implementation of several priorities set forth in the Joint Action Plan drawn up in the second Summit. The priorities mentioned in the Action Plan are: promotion of peace and of security by means of an effective multilateral system; sustainable development; regional cooperation; cooperation in the areas of science, technology and innovation; and the interchange between people. For each one of these areas very precise goals had been established.3

As may be seen in the Joint Communiqué of the 11th Meeting of the Joint EC-Brazil Committee that took place on July 7th 2009, 4 bilateral cooperation has intensified itself, primarily by way of the conclusion and establishment of agreements and the beginning of activities of several sectorial dialogues. Among the latter, one of the most important, given the current scenario, was the Dialogue on Macroeconomic and Financial Issues, which met for the first time on July 16th 2009, debating the impact of the global crisis and the reforms of the financial G-20 for international institutions, such as the International Monetary Fund and the World Bank. With regard to the reforms, both parties agreed upon the need of binding executive compensations with risk, of promoting transparency in derivatives, and of finding solutions for pro-cyclicity and

¹ Souza, Amaury de (2008), Brazil's International Agenda Revisited: Perceptions of the Brazilian Foreign Policy Community. Rio de Janeiro: CEBRI.

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³ Joint Action Plan, accessible at http://ec.europa.eu/external_relations/brazil/d ocs/2008 joint action plan en.pdf (access on September 15th 2009).

⁴ Joint Communiqué of the 11th meeting of the Joint EC-Brazil Committee, Brussels, July 7th 2009. Accessible at http://ec.europa.eu/external_relations/brazil/docs/joint_comm_11_070709_pt.pdf (access on September 15th 2009). It should be noted that the Joint EC-Brazil Committee was created by the 1992 Framework Treaty of cooperation between the EC and Brazil.

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systemic risk problems.5 Still with the economic crisis at heart, the first meeting between the European Economic and Social Committee (EESC) and the Council of Economic and Social Development (CDES), took place in July 2009. The meeting's final joint statement reaffirmed the commitment to democracy, sustainable development and governance as a solution for the current global economic crisis. Both parties insist that this new economic model should come with a high degree of social protection, environmental standards and social dialogues, as well as with the participation of the civil society in the processes of policy formulations.6

Within the area of economic policy cooperation, dialogues were opened on the industrial and regulatory policies in various sectors, such as textiles and garments, forestry and metallurgical products, non-ferrous metals and minerals. The second meeting of the dialogue on maritime transportation and advanced interchanges on air transportation took place in July 2009. In the area of science, technology and academic cooperation, a call for bids was issued for a survey in the area of biofuels within the sphere of the seventh Framework Program of the European Commission, and there are plans for the creation of a European Study Center in Brazil. During May 2009, sectorial dialogues were set up in the areas of education and culture and in September 2009 the second

meeting of the dialogue on Information Society took place. During April 2009, a highlevel dialogue took place on the environmental dimension of the sustainable development and climate changes, deemed as an important preparatory step for the UN Conference, to be held in Copenhagen in December 2009.7 In the area of energy a meeting of the Energy Dialogue was scheduled and in June 2009 the negotiations for the cooperation Treaty between EURATOM and Brazil within the area of research on fusion energy were concluded; one expects the Treaty to be signed at Stockholm.8 The advances in the regulation of the exploitation of the pre-salt petroleum reserves on the part of the Brazilian government are also expected to be the object of debate at the Summit, given their potential impact on the country's energy matrix and their international insertion in the fuel market.

A very interesting area, where progress has taken place in the partnership is the socalled "trilateral cooperation", whereby the European Union and Brazil carry out common projects in the area of the promotion of third-country development, namely African nations and member-countries of the Community of Portuguese-Speaking Nations.9 This may be cited as a promising example of the promotion of multilateralism via bilateral relations. The European Union benefits itself from the less asymmetric entry into dealings with developing countries and from the transcendence of problems resulting from the cooperation with former colonies, whereas Brazil gains know-how and experience in the area of cooperation

⁵ Joint Statement of the First Dialogue on Macroeconomic and Financial Issues at http://ec.europa.eu/economy_finance/publications/publication15679_en.pdf (access on September 15th 2009).

⁶ EU-Brazil Round Table calls for stronger social model to overcome the crisis. Accessible at http://europa.eu/rapid/pressReleasesAction.do ?refer-

ence=CES/09/92&format=HTML&aged=0&lang uage=EN&quiLanguage=en . Access on September 15th 2009. With regard to the EESC-CDES meeting see also: Around the table with Brazil. An EESC meeting launches talks on a much needed social model. New Europe, July 12th 2009. Accessible at

http://www.neurope.eu/articles/95387.php (access on September 15th 2009).

⁷ Access the official site of the Meeting at http://en.cop15.dk/ (access on September 15th 2009).

⁸ With regard to the treaty see, for example, article available at http://www.ecodebate.com.br/2009/06/08/brasil-e-ue-acertam-acordo-para-pesquisa-em-fusao-nuclear/.

⁹ See references on these issues on the above mentioned EU-Brazil Action Plan, and the Joint Communiqué of the 11th meeting of the Joint EC-Brazil Committee.

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www.kas.de/brasilien www.kas.de for development cooperation, by beginning to act as a donor and not only as a beneficiary, a significant change in its international role.

The extensive list of dialogues and initiatives mentioned above represents a strong indication that bilateral relations are, in fact, undergoing a period of intensification. Significantly, the dialogues encompass various political and social levels, from meetings between top governmental officials to civil society representatives in a far-reaching manner.

In spite of this optimistic scenario of concrete progress in the bilateral cooperation within various thematic areas, one cannot ignore the stagnation of the commercial negotiations between the partners. Regardless of the fact that within the Joint Communiqué of the 11th meeting of the Joint EC-Brazil Committee there is a positive reference to the commercial relations, and that progress was announced with regard to the negotiations of a Memorandum of Understanding on administrative cooperation in competition issues, and that a mandate has been signed instituting a bilateral mechanism of consultation on sanitary and phytosanitary issues, the scenario in this area, analyzed from a broader spectrum, does not seem favorable. Currently, one witnesses a bilateralization of the international trade relations (Heydon & Woolcock 2009). Although there is no consensus on the effects of the bilateralization on multilateral negotiations and one might add on the biregional ones, it is a fact that both the Doha Round and the negotiations between the European Union and the Mercosur still find themselves stagnated.

It is within the complex interaction between the bilateral, interregional and multilateral levels, that one finds the greatest challenge to the Strategic Partnership between the European Union and Brazil, and bearing this in mind, it becomes necessary to adopt a cautious stance in the expectations concerning the Stockholm Summit. This authoress

argued, in a recent article, that the EU-Brazil Strategic Partnership represents a risk to the cooperation and negotiations within the sphere of the European Union-Mercosur Treaty (Ribeiro Hoffmann 2009, see also Gratius 2009). Whereas the 'multi-lateralism-regionalism-bilateralism' relationship seem compatible when policies are directed at third countries, the same should not, automatically, be assumed with regard to bilateral relations, wherein both partners possess well-defined and conflicting interests.

The promotion of multilateralism through bilateral means is core to the concept of the European Union's Strategic Partnerships, and is clearly defined in the European Security Strategy of 2003, and in the Report on the Execution of the European Security Strategy of 2008. 10 These important documents clearly state the objective of setting up strategic partnerships with global emerging powers, in order to promote 'effective multilateralism'. In fact, the European Union has spared no efforts to enter into Strategic Partnerships with China, India, Russia and South Africa. Nevertheless, one should not underestimate the task of promoting multilateralism bilaterally, particularly within the sphere of extremely asymmetric bilateral relations, as those between the European Union and Brazil. The economic crisis and competence in the conduction of the Brazilian foreign policy diminished the perception of this asymmetry between the partners, which may be very beneficial, but did not eliminate the difference of their respective weights in the in both the global economy and politics. One should not forget that, whereas for Brazil bilateral trade transactions represent approximately 23% (24.39% of imports and 23.55% of exports in 2007); they represent only 2% for the European Union (2.29% of imports and

¹⁰ See both documents at http://www.consilium.europa.eu/showPage.asp x?id=266&lang=en (access on September 15th 2009).

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www.kas.de/brasilien www.kas.de 1.72% of exports in 2007). ¹¹ In terms of formal representation within international organizations, in the majority of the cases, the European Union has 27 votes against Brazil's sole one, an additional problem in the nature of the bilateral relations of a regional organization with a State.

To sum it up, in spite of the overall positive expectation for the Stockholm Summit, given the concrete progress witnessed in several cooperation areas, there is still skepticism and wariness with respect to the capacity of promoting multilateralism bilaterally, particularly when it comes to economic and commercial relations. And here the onus of demonstrating an actuation in line with diplomatic discourse and rhetoric rests with the European Union.

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¹¹ See available statistics at http://trade.ec.europa.eu/doclib/docs/2006/se ptember/tradoc_113359.pdf (access on September 15th 2009).