1. The United States-Portugal Standing Bilateral Commission (SBC) held its 35th Session May 6 in Washington, D.C., to discuss recent developments in bilateral relations and enhance cooperation on pressing matters of mutual concern in foreign affairs.

2. The Commission discussed a wide range of topics of mutual interest and ongoing cooperation between the United States and Portugal in the areas of political and diplomatic cooperation, defense, economics, trade and investment, justice and home affairs, science and technology relations, education and cultural affairs, Lajes and cooperation with the Azores. The United States and Portugal plan to explore expand, and enhance cooperation in all of these areas.

3. A comprehensive exchange of views on the international agenda took place. The Commission was briefed on the global Coalition to Counter ISIL and ongoing counterterrorism cooperation. The United States and Portugal reiterated their commitment to the efforts of the Coalition to put ISIL/Da’esh on a path to lasting defeat. The Commission expressed full support for the Libyan Government of National Accord (GNA) and reaffirmed the international community’s commitment to work closely with the GNA as the legitimate government in Libya and provide appropriate assistance in response to GNA requests. The Commission reiterated the need for Syria’s political transition away from Asad. The Commission also discussed the need to remain united in countering Russia’s violation of Ukrainian sovereignty and territorial integrity and supporting full implementation of the Minsk agreements by all parties. Portugal and the United States reaffirmed their commitment to the outcome of the 2014 NATO Wales Summit, including the Defense Investment Pledge, and to working together to achieve a successful 2016 NATO Warsaw Summit in July that solidifies Alliance unity, strengthens NATO’s 360-degree approach to security, enhances NATO partnerships, and reaffirms the Alliance’s role in promoting global stability and security, namely through its out-of-area operations. The need to maintain a coordinated international effort to support the countries of the Gulf of Guinea in the fight against piracy and armed robbery at sea was also highlighted.

4. The Commission was briefed on the state of play of trade and investment relations, including highlights of the February 2016 meeting of the Trade and Investment Committee. The Commission recognized the increasing presence of Portuguese companies, including startups, in the United States and the potential benefit to both parties from increased growth in investment, trade in services, and tourism. The Commission noted that 2015 trade statistics reveal the United States is now
Portugal’s largest trading partner outside of the European Union. The Commission emphasized that more work is needed to continue to develop our bilateral trade relationship in a balanced manner. The Commission continued discussion on the importance of concluding the Transatlantic Trade and Investment Partnership (T-TIP) and emphasized the positive impact a robust agreement will have on transatlantic trade relations. An ambitious, comprehensive, and high-standard T-TIP agreement will bring important economic benefits to all of our citizens and build on our past record of success so that together we are ready to meet 21st century challenges.

5. The Commission highlighted the valuable existing cooperation in science and technology, environment, and energy and upcoming summits in the United States and Portugal on the oceans. The Commission was briefed that since the last SBC, NASA signed two new agreements with Portuguese institutions— one with the University of Porto to develop aerial and underwater autonomous vehicles, and another with the Portuguese Foundation for Science and Technology (FCT) to allow Portuguese students to intern at NASA centers in the United States. The Commission took note of a number of upcoming projects that will further reinforce our cooperation in the near term, including a National Science Foundation and FCT-funded experiment to improve wind and weather measurement in Perdigão, a Fulbright grant to bring U.S. researchers to the Portuguese Institute for the Ocean and the Atmosphere (IPMA), and a U.S. Embassy program to host a U.S. “Science Fellow” in Lisbon. The Commission was briefed on the intention of Portugal to establish a Center for Oceanic Research in the Azores with a strong transatlantic dimension, incorporating an integrated approach to research and development in the areas of space, climate change, energy and the oceans. In this framework, Portugal highlighted the importance it would attribute to U.S. support for this initiative. The Commission welcomed that the first shipment of U.S. liquified natural gas was delivered to Portugal.

6. The Commission recognized the progress of the Justice and Home Affairs Committee in the areas of cyber issues, aviation security, customs cooperation, and bilateral training programs. Portugal intends to consider the U.S. proposal for an asset sharing agreement in a constructive spirit. The Commission engaged in a focused discussion on furthering cooperation in cyber security. The JHA Committee intends to review the roadmap for cooperation for 2015-2016 at its next meeting.

7. On the Azores, Portugal and the United States discussed continued cooperation for the benefit of the region’s economy, both to address the economic and social impact of the downsizing at Lajes Air Base, and to contribute to the region’s economic development. Portugal and the United States continue studying and implementing economic initiatives of benefit to the Azores. The Commission noted that progress has been made in some of the areas proposed by the Regional Government of the Azores at the meeting of the Azores Committee on November 30, 2015, specifically: exportation of seafood and investment in the fishing industry, promotion of hospitality and education exchanges, and development of
mutually beneficial relationships in the health sector. The Commission reiterated its intent to continue dedicating due attention to these projects. The Committee for Cooperation in the Azores is scheduled to reconvene to review priorities for 2017 in the fall.

8. The Commission welcomes the results of the last Defense Committee meeting on April 27, 2016, which proved to be an important step in enhancing the bilateral relationship between the United States and Portugal. We have expanded cooperation in cyber defense, intelligence sharing, education, training, exercises and operations. As well, the Defense Committee discussed several potential areas for reinforcing interoperability, developing capabilities and expanding partnerships. The Commission noted that the next meeting is planned for October, with the participation from the respective defense policy offices, the defense attachés, and representatives from the Joint Staff and Services and others as required.

9. Discussing the state of play since the meeting held in the Azores in December, the Commission noted that some progress had been made regarding the United States Air Force (USAF) presence at Lajes Air Base. Portugal and the United States remain committed to the strategic use of Lajes Air Base for their mutual benefit in line with the shared goal of contributing to global security.

10. Recognizing the importance of the airfield at Lajes, the United States reiterates its intentions to ensure support to the airfield by continuing to provide high-frequency communications capacity; air operations, including specific 24-hour full support to contingency operations of the Portuguese Air Force for search and rescue and medical evacuation missions; and 100 percent of the dedicated 24-hour emergency firefighting, crash, and rescue support to all air missions, including Portuguese military and civilian use of Air Base 4 at Lajes.

11. The Commission considers that the reduction of the number of Portuguese employees employed by the 65th Air Base Group has proceeded in accordance with intentions expressed at the extraordinary meeting of the SBC in June 2015 and the SBC meeting in December 2015. The Commission welcomed that involuntary separations were avoided due to the good cooperation between all stakeholders from the two sides. The process of employee separations associated with the streamlining is complete. There are a number of vacant positions at Lajes already advertised for external recruitment.

12. The Commission recognized the need to continue working together on infrastructure issues that do not prejudice possible future alternative uses of the base.

13. The Commission commended the progress made since December 2015 on a plan to jointly address the cottages built by former U.S. personnel that are not on the U.S. property register.
14. Portugal and the United States continued discussions on shared environmental concerns on Terceira Island, arising from U.S. facilities or operations at Lajes Air Base. With a view to reaching a common understanding of the current environmental state of Lajes Air Base and sites on Terceira Island affected by U.S. operations and on appropriate remediation measures, the Commission noted that the Technical Committee appointed a group of environmental experts from both Portugal and the United States that has met and exchanged information. U.S. environmental studies sought by Portugal since April 2015 have been delivered. The Commission urged all those involved to redouble their efforts to ensure transparency and efficiency.

15. The Commission discussed the recent incident at the Cabrito pipeline. The United States and Portugal intend to achieve a resolution of this issue.

16. The Commission plans to hold its next meeting in fall 2016 in Portugal.