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COMMISSION IMPLEMENTING DECISION

of 1.2.2023

on the authorisation of the disbursement of the second instalment of the non-repayable support and the second instalment of the loan support for Portugal

(Only the Portuguese text is authentic)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 24(5) thereof,

Whereas:

- (1) According to Article 4(2) of Regulation (EU) 2021/241, the specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans.

Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Portugal² (the ‘Council Implementing Decision’) provides that the Union is to release instalments in accordance with the Financing Agreement and the Loan Agreement conditional on a decision by the Commission, taken in accordance with Article 24(5) of Regulation (EU) 2021/241, that Portugal has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan.

- (2) On 30 September 2022, Portugal submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the second instalment of the non-repayable support and the second instalment of the loan support. Pursuant to Article 24(3) of Regulation (EU) 2021/241, the Commission assessed on a preliminary basis whether the relevant milestones and targets set out in the Council Implementing Decision had been satisfactorily fulfilled. For the purpose of this assessment, the operational arrangements concluded between the Commission and Portugal³ in accordance with Article 20(6) of Regulation (EU) 2021/241, were taken into account.
- (3) The Commission made a positive preliminary assessment of the satisfactory fulfilment of all 18 relevant milestones and targets related to the non-repayable support and all two relevant milestones and targets related to the loan support and, in accordance with Article 24(4) of Regulation (EU) 2021/241, provided its findings to the Economic and

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10149 2021 and ST 10149 2021 ADD 1 REV 1, not yet published.

³ Recovery and Resilience Facility Operational arrangements between the European Commission and the Portuguese Republic entered into force on 18 January 2021.

Financial Committee asking for its opinion on the satisfactory fulfilment of the relevant milestones and targets. In accordance with Article 25(4) of that Regulation, the Commission provided the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets. The Economic and Financial Committee agreed with the Commission's positive preliminary assessment and considered that Portugal has satisfactorily fulfilled all the milestones and targets associated with the payment request. The Commission has taken the opinion of the Economic and Financial Committee into account for its assessment.

- (4) Section 2(1)(1.2) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the second instalment of the non-repayable support for an amount of EUR 1 967 365 517.
- (5) Section 2(2)(2.2) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the second instalment of the loan support for an amount of EUR 125 000 000.

Milestones and targets related to the non-repayable support:

- (6) Milestone 1.6 provides for the entry into force of the new management contract template, approved by the Ministries of Finance and Health, for public managers in state-owned enterprises in the national health system. Portugal provided as evidence: (i) the copy of the publication of the Government Order ('Portaria') No 167-B/2022 in the Official Journal, which establishes the new management contract template to be signed with all future public managers of state-owned enterprises in the national health system, including indication of its entry into force; (ii) copy of the management contract template, which is an annex to Government Order No 167-B/2022 of 30 June; (iii) the Implementation Report of 30 June 2022 by the Central Administration of the Health System ('Administração Central do Sistema de Saúde') demonstrating how the provisions in the new management contract template will support the performance of public managers and strengthen their accountability. The evidence provided by Portugal demonstrates that the new management contract template has entered into force and its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (7) Milestone 1.13 provides for the entry into force of the terms for referencing emergency episodes screened in white, blue or green in hospital emergency services to other types of health care services, including primary health care services. Portugal provided as evidence: (i) copy of Administrative Norm ('Circular Normativa') No 11/2022/ACSS with reference to the provision that establishes its entry into force; (ii) copy of the Amended Administrative Norm ('Circular Normativa atualizada') No 11/2022/ACSS; and (iii) screenshot of the back-office of the website of the Central Administration of Health System with the publication of Amended Administrative Norm no 11/2022/ACSS. The evidence provided by Portugal demonstrates that the terms to refer emergency episodes considered a) less urgent cases (blue), b) non urgent cases (green) or c) cases incorrectly sent to emergency services (white), from hospitals emergency services to other health care units, in particular primary health care units, — its content and objectives are in line with requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (8) Milestone 1.20 provides for the entry into force of the regulation on the allocation of financial support by the Regional Health Authorities for the implementation of the investments in the National Network of Integrated Continued Care and the National Network of Palliative Care. Portugal provided as evidence: the copy of the publication of the Government Order (‘Portaria’) No 134-A/2022 of 30 March in the Official Journal, and reference to the relevant provisions indicating its entry into force. The evidence provided by Portugal demonstrates the entry into force of the above-mentioned Regulation, and that the content and objectives of the Government Order are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (9) Milestone 3.3 provides for the awarding of financing contracts to promoting bodies for the creation and renovation of care facilities operating in the social sector. Portugal provided as evidence: (i) the tender notices with the necessary energy efficiency requirements for the new buildings; (ii) examples of signed financing contracts (one per typology envisaged for the investments namely creches, residential care homes for the elderly, day care centres, centres for activities and empowerment for inclusion, autonomous residences, and home support services) between the intermediate recipient and the promoting bodies; and (iii) an implementation report of 9 November 2022 issued and signed by the intermediate recipient, the ‘Social Security Institute’. The signed financing contracts provided, by the authorities envisage the creation and/or renovation of places to benefit those in need of social support such as children, the elderly, people with disabilities and others. The signed financing contracts cover the creation and/or renovation of places in the typologies envisaged for the investment. The signed financing contracts also include two innovative typologies: *co-housing* and *communities of inclusion*. The evidence provided by Portugal demonstrates that the contracts awarded, including their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (10) Milestone 3.24 provides for the signature of agreements between the Lisbon and Porto Metropolitan Areas and the 12 Local Technical Units that will implement social measures in the disadvantaged communities of their areas. Portugal provided as evidence, among others: (i) twelve agreements between the aforementioned authorities, which define the scope of measures to be supported, their timeline, budget, and the performance indicators in each Local Technical Unit; (ii) and the terms of reference for the upcoming calls for projects. The scope of the measures to be supported is aligned with the categories defined in the description of the investment and of the milestone and the published tender notices require that the selection of projects complies with the ‘Do no significant harm’ Technical Guidance (2021/C58/01), and with the relevant EU and national environmental legislation. The evidence provided by Portugal demonstrates that agreements and calls for projects, including their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (11) Milestone 4.1 provides for the identification of the technological specifications required for the modernisation of the network of cultural facilities. Portugal provided as evidence a report issued by the Bureau for Cultural Strategy, Planning and Assessment dated 30 June 2022, identifying the technological specifications (equipment and technical requirements) for the modernisation of the technological infrastructure of public cultural installations, covering the six sub-measures of the

relevant intervention (namely (i) purchase of IT equipment, creation of online mobile libraries, information systems and integrated catalogues for 239 public libraries, (ii) installation of wifi coverage in 50 museums, palaces and monuments, (iii) purchase of digital and video projection equipment for 155 cine-theatres and public contemporary art centres, (iv) technological modernisation and up keeping of public laboratories, (v) technological modernisation of the National Archive of Moving Images (ANIM) and (vi) installation of the National Archive of Sound). The evidence provided by Portugal demonstrates that the report, including its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (12) Milestone 5.18 provides for the publication of an Innovation and Digitalisation Programme for Agriculture in the Azores. Portugal provided as evidence the Innovation and Digitalisation Programme for Agriculture in the Azores of September 2022, including a plan for the development of a monitoring network and agricultural notices (alerts to be sent to farmers on the likelihood of occurrence of certain pests or diseases impacting the crops) and a plan for the transition to digital and precision farming, and a screenshot of the website of the Government of the Azores as evidence of its publication. The evidence provided by Portugal demonstrates that the Innovation and Digitalisation Programme for Agriculture in the Azores was published and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (13) Milestone 8.4 provides for the entry into production of the BUPi 2.0 (Digital Land Registry) platform. Portugal provided as evidence: (i) a certificate of works completion signed on 5 August 2022 by the contractor and the competent authority on the provision of infrastructure implementation and consulting services for the BUPi platform, (ii) a certificate of works completion signed on 15 July 2022 by the contractor and the competent authority on the creation, programming and development and integration of the BUPi application, (iii) a report from 26 October 2022 on the assessment of the BUPi 2.0 platform and (iv) link to the BUPi 2.0 platform. The evidence provided by Portugal demonstrates the entry into production of the BUPi 2.0 platform and that its content and objectives are in line with the requirement of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (14) Milestone 8.7 provides for the award and publication of the contract for the implementation of the Primary Fuel Management Breaks Structuring Network (RPFGC) in BASE.gov, to create horizontal discontinuities in the forest landscape (i.e., fuel management breaks). Portugal provided as evidence: (i) the signed contracts for the implementation of the RPFGC and screenshots evidencing their publication in BASE.gov; (ii) tender documentation and evidence that the call for tender was published in the Official Journal (*'Diário da República'*, No 55/2022, second series of 18 March 2022, procedure No 3425/2022); (iii) copy of the publication of the Decree-Law No 82/2021 of 13 October in the Official Journal, establishing the Integrated Rural Fire Management System in mainland Portugal and laying down its operating rules; (iv) copy of the publication of the Council of Ministers Resolution No 28/2022 of 28 February in the Official Journal, approving the expenditure for the execution of the projects for the implementation of the RPFGC; and (v) the Primary network Manual of 20 May 2014, defining the technical rules for the planning of the primary network of fuel management breaks. The evidence provided by Portugal demonstrates

that the contracts for the implementation of the RPFGC, to create horizontal discontinuities in the landscape to isolate fire outbreaks, were published and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (15) Target 8.14 provides for the entry into operation of two Regional and four Sub-Regional Commands of the National Authority for Emergency and Civil Protection (ANEPC), strengthening its operational response capacity in the fight against rural fires. Portugal provided as evidence: (i) copy of the publication in the Official Journal of the Order of the Minister No 11198/2020 of 13 November, which establishes the entry into operation of the two Regional Commands; (ii) copy of the publication in the Official Journal of the Order of the Minister No 3212-A/2022 of 15 March, which establishes the location of Sub-Regional Commands; (iii) copy of the publication in the Official Journal of the Order of the Minister No 10970-A/2022 of 9 September, which establishes the entry into operation of the four Sub-Regional Commands; (iv) copy of the publication in the Official Journal of the Decree-Law No 45/2019 of 1 April, establishing the organisation of the ANEPC, and creating its new internal organisation, composed of National, Regional Commands and Sub-Regional Commands; (v) Order 'Despacho' of the President of ANEPC of 17 November 2022, certifying the renovation of the two Regional Commands with information technology and communications equipment; and (vi) the Certificate by IP Telecom of 8 November 2022, certifying that four Sub-Regional Commands are in operation, as per Order of the Minister No 10970-A/2022 of 9 September. The evidence provided by Portugal demonstrates that the two Regional and four Sub-Regional Commands of the ANEPC have entered into operation in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (16) Milestone 8.15 provides for the publication of the initial report by the Institute for Nature Conservation and Forests, I.P. (ICNF), paving the way for the strengthening of the actions of Forest owners' organisations (OPFs) and Competence Centres (CCs) in essential areas for the sustainability of forest resources. Portugal provided as evidence: (i) the initial report issued by the ICNF on programme contracts between the Environmental Fund and the OPFs and the CCs, published on 9 September 2022, and two screenshots evidencing its publication in the websites of the Environmental Fund and of the ICNF; (ii) the Technical Collaboration Protocol between the ICNF and the Environmental Fund of 30 August 2022, with the terms and conditions of the collaboration between the Environmental Fund and the ICNF in the implementation of some investments of the Portuguese recovery and resilience plan, including the one in the scope of this milestone; (iii) the ten programme contracts signed between the Environmental Fund and the OPFs (six) and the CCs (four); (iv) the copy of the publication in the Official Journal of the Decree-Law No 114/2021 of 15 December, establishing some changes to the Environmental Fund and to the organisation of the Secretariat-General of the Ministry of the Environment; (v) copy of the publication in the Official Journal of the Order of the Minister No 643-C/2022 of 14 January, approving the regulation laying down the Rules and Procedures for the Conclusion of Programme Contracts between the Environmental Fund and the OPFs and the CCs; and (vi) the copy of the publication in the Official Journal of the Decree-Law No 135/2012 of 29 June, establishing the ICNF. The evidence provided by Portugal demonstrates that the initial report on the programme contracts between the ICNF and the OPFs and CCs was published. Whilst the milestone required the contracts to be

signed between the ICNF and the OPFs and the CCs, the contracts were signed between the Environmental Fund and the OPFs and the CCs, thereby constituting a minimal formal deviation from the requirement of the Council Implementing Decision. At the time of the adoption of the Council Implementing Decision, the investment was under the responsibility of the Permanent Forestry Fund, which worked under the administrative umbrella of the ICNF (Decree-Law No 135/2012 of 29 June). However, the Decree-Law No 114/2021 of 15 December, ruled the merger of the Permanent Forestry Fund into the Environmental Fund and the transfer of all the powers, rights and obligations of the former to the latter. In this context, the Order of the Minister No 643-C/2022 of 14 January defined that the programme contracts were to be signed between the Environmental Fund and the eligible entities, and that the ICNF remained responsible for the monitoring, control and evaluation of the programme contracts. As such, the content and objectives of the evidence provided are in line with the requirements of the milestone and the main goal of the investment. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (17) Milestone 9.9 provides for the publication of the planning documentation of the hydraulic multi-purpose enterprise of Crato (Pisão dam) in Alentejo, fully incorporating any result and condition from the Environmental Impact Assessment (EIA) procedure. Portugal provided as evidence, among others, documents pertaining to the EIA procedure carried out by the independent environmental agency Agência Portuguesa do Ambiente (APA). This evidence included notably an Environmental Impact Declaration of the project and a report, demonstrating how the EIA procedure has been carried out in full and substantive compliance with Directive 2011/92/EU, with the relevant assessments in the context of Directive 2000/60/EC, and the ‘Do no significant harm’ Technical Guidance (2021/C58/01). The assessment was carried out on the basis of the original planning documentation – the Environmental Impact Study – by the project developer, Intermunicipal Community of Alto Alentejo (CIMAA), and the updated planning documentation by the project developer, which shows the inclusion of all the results and conditions of the Environmental Impact Declaration into the project, including the necessary conditions to ensure compliance with the ‘Do no significant harm’ Technical Guidance. APA declared that all the results and conditions of the Environmental Impact Declaration have been included in the updated planning documentation. APA confirmed that the measure does i) a) neither significantly or irreversibly impact affected water bodies, b) nor prevent the specific water body to which it relates nor other water bodies in the same river basin to achieve good status or potential by Q4 2025; and ii) does not cause significant negative impact on protected habitats and species directly dependent on water. It is also expected that APA will closely monitor the implementation of the mitigating measures and their effectiveness in protecting biodiversity on the basis of site-specific conservation objectives for the relevant Natura 2000 sites, including making use of the possibility by APA to adjust and propose additional mitigating measures, if needed, to ensure continued full compliance with Directive 2011/92/EU and the ‘Do no significant harm’ Technical Guidance (2021/C58/01), in accordance with milestones 9.10 and 9.11. In accordance with Article 17(4) in conjunction with Article 5(2) of Regulation (EU) 2021/241, the Recovery and Resilience Facility shall only support measures respecting the principle of ‘do no significant harm’. In this respect, together with the repeated references in the description of the measure and description of the milestone to integrating the results of the EIA procedure as necessary to ensure compliance with the ‘Do no significant harm’ principle, the requirements in the Council Implementing

Decision are to be interpreted in line with this overall context of needing to respect the ‘Do no significant harm’ principle, both generally and specifically in relation to the outcome of the EIA procedure. Given that the EIA has been conducted in line with Union law, where the Commission finds the necessary changes to the scope of the project both plausible and necessary in order to respect the ‘Do no significant harm’ principle, the evidence put forward by the Portuguese authorities has minor deviations compared to a number of requirements in the Council Implementing Decision. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (18) Milestone 12.2 provides for the approval of the projects submitted by the Consortia for the development of new bioeconomy products, technologies and processes in the textile and clothing, footwear and natural resin sectors. Portugal provided as evidence: (i) the call for the creation of the consortia, (ii) the report on the selection of the consortia, (iii) the call for the presentation of integrated projects, (iv) the decision of the selection of the projects, (v) three contracts with the consortia, and (vi) ‘Do no significant harm’ compliance declarations by the three consortia. The evidence provided by Portugal demonstrates that the projects have been approved and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (19) Milestone 15.10 provides for the signature of the contract between the public authorities and a contractor selected in a tender process for the construction of a bus rapid transit line between Praça do Império and Praça Albuquerque Mouzinho in Porto. Portugal provided as evidence: (i) the signed contract of 23 March 2022 between Metro do Porto S.A. and the contractor selected through a tender process; (ii) an addendum to the contract signed on 6 May 2022, (iii) the act of the Board of Directors of Metro do Porto of 28 February 2022, awarding the public tender process to the winning contractor, and (iv) the tender notices published nationally on 8 July 2021 and internationally on 9 July 2021. The evidence provided by Portugal demonstrates that the contract for the construction of bus rapid line between Praça do Império and Praça Albuquerque Mouzinho in Porto, including its content and objectives, is in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (20) Milestone 16.1 provides for the entry into force of the review of the vocational and educational training content included in the National Qualifications Catalogue in the field of digital skills, and for the entry into force of the legislation or regulation necessary for the creation of digital signatures and seals in the areas of cybersecurity, privacy, sustainability and usability. Portugal provided as evidence: (i) copy of the publication in the Official Journal of the Government Order ‘Portaria’ No 250-A/2020 of 23 October, establishing the ‘Youth + Digital Programme’, and copy of the publication in the Official Journal of the Government Order ‘Portaria’ No 179/2021 of 27 August which establishes the ‘Digital Competence Certificate programme’; (ii) the Labour and Employment Bulletins ‘Boletins do Trabalho e Emprego’ of 29 October 2020, 22 April 2021, 8 May 2021 and 8 August 2022; (iii) Decree Law No 12/2021 of 9 February which provides a framework for electronic identification and trust services for electronic transactions; (iv) copy of the publication in the Official Journal of the Government Order ‘Portaria’ No 305/2020 of 29 December which defines the terms and conditions of use of the System for the Certification of Professional Attributes; and (v) the copies of four regulations published in Portuguese Normative Documents

‘Documentos Normativos Portugueses’ on cybersecurity (15 November 2021), privacy (18 April 2022), sustainability (18 April 2022), and usability (15 December 2021). The evidence provided by Portugal demonstrates that the review of the vocational and training content included in the National Qualifications Catalogue, and its objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (21) Milestone 16.2 provides for the setting up of two training programmes: (i) ‘Portugal Digital Academy’, with the launch of the online training platform that includes a diagnostic tool and dedicated content for digital skills training and (ii) ‘Employment + Digital’, with the start of the deeper face-to-face and blended digital skills training. Portugal provided as evidence, among others: (i), for the Portugal Digital Academy, the outline of the diagnostic procedures that are defined to assess digital skills, the proof of accessibility of the platform, the link to the platform, and the certificate of completion of the works carried out to set up the platform, signed on 20 October 2022; and (ii) for ‘Employment + Digital’, the list of the economic sectors targeted, the course content and the list of the partners and stakeholders selected for the implementation of the programme, copy of the publication in the Official Journal of Government Order 246/2022 of 27 September, which establishes the second phase of the ‘Employment + Digital’ programme, and the official confirmation of the start of the programme. The evidence provided by Portugal demonstrates that the setup of the required two training programmes including their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (22) Milestone 17.15 provides for the completion of the implementation of pre-filling of the Model 1 declaration of the municipal immovable property tax, on the basis of the data available to the Tax and Customs Authority. Portugal provided as evidence a report by the Portuguese Tax and Customs Authority from 20 October 2022 on the implementation of the pre-filling of the Model 1 declaration of the municipal immovable property tax. Portugal also provided evidence of the effective data sharing between the information systems of the Tax and Customs Authority and of municipalities. The evidence provided by Portugal demonstrates the implementation of pre-filling of Model 1 declaration of the municipal immovable property tax, on the basis of the data available to the Tax and Customs Authority, is completed and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (23) Target 19.11 provides for the access to secure mobile voice, messaging and video communications to, at least, 95% of the government employees who are users of the government network (RING). Portugal provided as evidence: (i) a report indicating the percentage of RING users with access to the Secure Mobile Communications System; (ii) the Calculation Methodology used to calculate the baseline; and (iii) an anonymised list of active users of the Secure Mobile Communications System. The evidence provided by Portugal demonstrates that their content and objectives are in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

Milestones related to the loan support:

- (24) Milestone 5.30 provides for the notification to the European Commission of the successful passing of the pillar assessment of *Banco Português de Fomento* (BPF).

- Portugal provided as evidence: (i) the final pillar assessment report of BPF, issued and signed by the external auditor on 12 October 2022; and (ii) the email notifying the European Commission of the conclusion of the pillar assessment. The evidence provided by Portugal demonstrates that BPF successfully passed the pillar assessment, in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (25) Milestone 5.31 provides for the capital transfer of EUR 250 000 000 from the Portuguese Government to *Banco Português de Fomento* (BPF) and for the adoption of the investment policy for BPF to implement InvestEU, establishing a set of eligibility criteria in line with the RRF objectives, including the ‘Do no significant harm’ principle. Portugal provided as evidence: (i) the investment policy signed and adopted by BPF, approved by the Minister of Economy and the Sea, and published on BPF’s website; (ii) the “proof of operation” of 19 September 2022 certifying the amount of capital transferred to BPF; (iii) the ministerial order of the Minister of Economy and the Sea, of 15 September 2022; (iv) the extract from the investment policy showing alignment with the ‘Do no significant harm’ Technical Guidance (2021/C58/01). The evidence provided by Portugal demonstrates that the Portuguese Government performed the capital transfer of EUR 250 000 000 to BPF, and that BPF adopted an investment policy whose content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (26) Furthermore, the Portuguese Republic has also confirmed that previously satisfactorily fulfilled milestones and targets have not been reversed.
- (27) Following the fully positive assessment concerning the Portuguese Republic’s payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the second instalment of the non-repayable support and the disbursement of the loan for the second instalment of the loan support should be authorised.
- (28) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution shall be cleared by being proportionally deducted against the payment of the instalments. As Portugal received 13% of the financial contribution as pre-financing, an amount of EUR 255 757 517 of the payment should be utilised to clear the pre-financing, equal to 13% of the instalment.
- (29) In accordance with Article 3(3) of the Council Implementing Decision, as specified in the Loan Agreement, the pre-financing of the loan shall be cleared by being proportionally deducted against the payment of the instalments. As Portugal received 13% of the loan as pre-financing, an amount of EUR 16 250 000 of the payment should be utilised to clear the pre-financing, equal to 13% of the instalment.
- (30) This Decision should be without prejudice to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty on the Functioning of the European Union. It does not override the requirement for Member States to implement the measures in accordance with Union and national law and, in particular, to notify instances of potential State aid to the Commission under Article 108 of the Treaty on the Functioning of the European Union.

(31) The measures provided for in this Decision are in accordance with the opinion of the Committee established by Article 35(1) of Regulation (EU) 2021/241,

HAS ADOPTED THIS DECISION:

Article 1

Authorisation of the disbursement of the non-repayable support

The disbursement of the second instalment of the non-repayable support as laid down in Section 2(1)(1.2) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Portugal for an amount of EUR 1 967 365 517 is authorised.

In accordance with the Financing Agreement concluded pursuant to Article 23(1) of Regulation (EU) 2021/241 between the Commission and the Portuguese Republic, EUR 255 757 517 shall be utilised to clear the pre-financing of the financial contribution and EUR 1 711 608 000 shall be provided to Portugal by means of payment to the bank account indicated in the Financing Agreement.

Article 2

Authorisation of the disbursement of the loan support

The disbursement of the second instalment of the loan support as laid down in Section 2(2)(2.2) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Portugal for an amount of EUR 125 000 000 is authorised.

In accordance with the Loan Agreement concluded pursuant to Article 15(2) of Regulation (EU) 2021/241 between the Commission and the Portuguese Republic, EUR 16 250 000 shall be utilised to clear the pre-financing of the loan and EUR 108 750 000 shall be provided to Portugal by means of payment to the bank account indicated in the Loan Agreement.

Article 3

Addressee

This Decision is addressed to the Portuguese Republic.

Done at Brussels, 1.2.2023

For the Commission

Paolo GENTILONI

Member of the Commission