



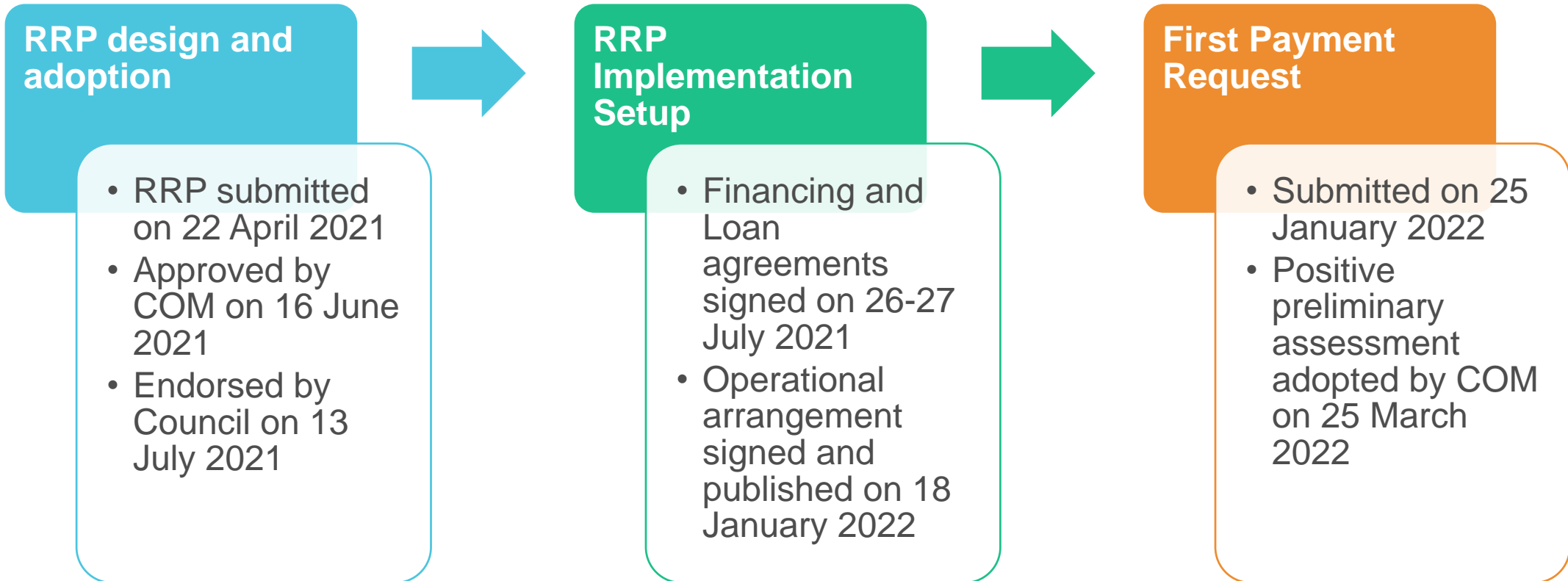
# RRF 1<sup>st</sup> Payment request – Portugal

Preliminary positive assessment by the Commission



*EPC meeting– 1/04/2022*

# Timeline of Portugal's RRP implementation



# Structure of the adopted document

- The Communication:
  - ✓ Endorses the overall positive preliminary assessment
  - ✓ Authorises ECFIN Director General to transmit the assessment to the EFC
  - ✓ Takes note that the assessment will be made available to the EP
- The **Annex to the Communication** presents the summary of the positive preliminary **assessment of each relevant milestone and target**, including:
  - ✓ Context (short description of measure and of milestone/target)
  - ✓ Description of the evidence provided by the Member State
  - ✓ Analysis on how the evidence provided duly justifies that the milestone/target is satisfactorily fulfilled
  - ✓ Final Commission preliminary assessment for each milestone/target:

# Portugal's first payment request: overview

	Investments	Reforms	Total
Non-repayable support	15	20	35
Loan support	2	1	3
<b>Total</b>	<b>17</b>	<b>21</b>	<b>38</b>

- The first payment request concerns 38 milestones and targets out of the 341 in the Portuguese plan
- For the **non-repayable support** there are 4 targets and 31 milestones that relate to the first instalment (EUR 553 m, net of pre-financing)
- **Key reforms and investments** covered concern the health, social responses and social housing systems, public finances and public administration, qualifications and skills, bio-economy, investment and innovation infrastructure, forestry, decarbonisation of industry, renewable gases (incl. hydrogen), enterprises 4.0.
- For the **loan support** there are 3 milestones that relate to the first instalment (EUR 609 m, net of pre-financing).
- These milestones are linked to the national promotional bank and the set-up of a capitalisation fund for companies.

# Portugal's first payment request: Key measures

## Key Reforms:

- Social policies:
  - [M 3.22] Reform of the social installations regime that paves the way for investments in the New Generation of Equipment and Social Responses
  - [M 1.4] Mental Health Decree-Law setting out the principles for the organisation of mental health care services
  - [M 3.20] National Strategy to Combat Poverty
- Resilience:
  - [M 17.6] New management contract template to be signed with State Owned Enterprises managers to increment performance and to improve the quality and sustainability of public finances
- Green transition
  - 5 • [M 8.19] Law establishing the integrated management system for rural fires (SGIFR)

## Key Investments :

- Green transition
  - [M 11.1] Tenders for climate related R&D projects and for decarbonisation projects in industry
- Social Policies
  - [T 2.13 & 2.14] Energy efficient public housing
- Business support and Innovation
  - [M 5.15, 5.16, 5.23, 5.27, 5.28] Setting up of the Banco Português de Fomento (BPF) and its investment policy (non-repayable and loan support)
- Digitalisation
  - [T 16.13] Selection of digital innovation hubs

# Resilience (10 milestones/1 target)

## Research and Innovation

- [M 5.3] Entry into force of the new legal regime for technology and innovation centres
- [T 5.2] Extension of the Network of Recognised Collaborative Laboratories

## Support to business

- [M 5.15, 5.16, 5.23, 5.27, 5.28] Decree law regulating the capitalisation measures of Banco Português de Fomento and development of their investment policies, including with a special purpose vehicle funded by the loan facility
- [M 10.1] Strengthening the financing capacity for the Sea Economy and Innovation through the Blue Fund



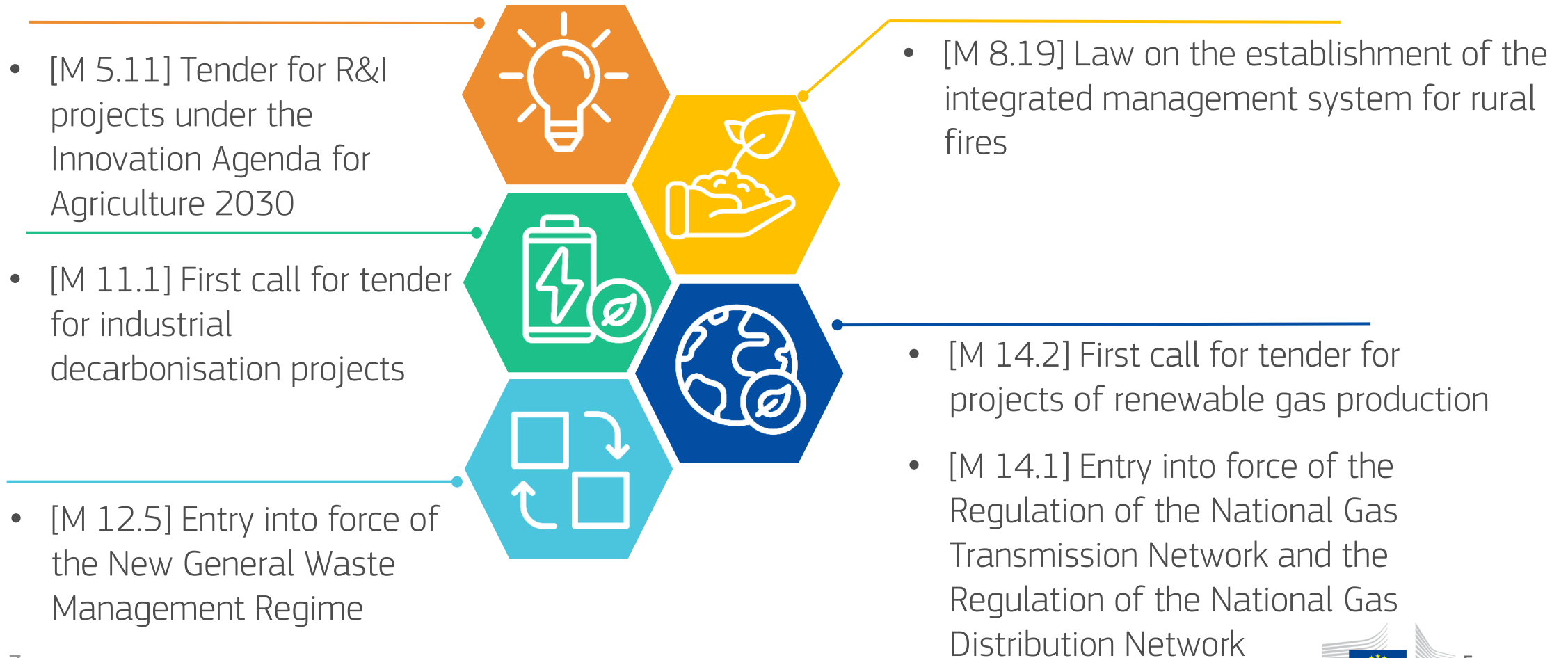
## Health

- [M 1.29] Deployment of the classification system, functional profile and users' referral system for Madeira's continued care services

## Public financial management

- [M 17.6] Entry into force of the new management contract template to be signed with SOE managers to increment performance and increase responsibility and accountability

# Green transition (10 milestones)

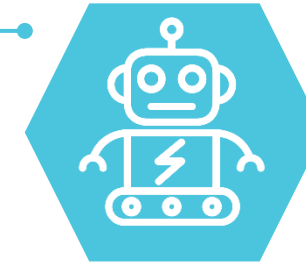


# Digital transformation (3 milestones/1 target)

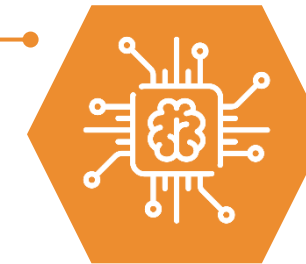
- [M 20.2] Contracts signed for the procurement of 600,000 laptops for teachers and students in primary and secondary schools



- [T 16.13] Selection of 17 Digital Innovation Hubs to foster digital innovation and competitiveness of selected sectors



- [M 19.22] Entry into force of the legal framework for the digital transformation of the Public Administration



- [M 3.17] Publication of Tender for 'Building of digital infrastructure for Accessibility





# Social policies and next generation (11 milestones and 2 target)

- [M 2.19] Decree-Law approving the legal framework for the National Urgent and Temporary Housing Plan

- [M 3.21] National Strategy for the Inclusion of Persons with Disabilities 2021-2025
- [M 3.20] National Strategy to Combat Poverty
- [M 1.4] Mental Health reform
- [M 3.22] Reform of the social installations regime



- [M 6.13] Law creating special competitions for admission to higher education
- [M 6.14] Entry into force of the new legal framework governing the cooperation of higher education institutions with public administration and businesses

- [T 2.13 & 2.14] Interventions in the public housing stock in the Autonomous Region of Azores, new constructions and renovations

- [M 3.23] Action Plans for disadvantaged communities in the Metropolitan Areas of Lisbon and Porto

# Next steps

In the implementation of the Portuguese RRP

# Portugal's second payment request: overview

	Investments	Reforms	Total
Non-repayable support	16	2	18
Loan support	2	0	2
<b>Total</b>	<b>18</b>	<b>2</b>	<b>20</b>

- The second payment request is expected to concern 20 milestones and targets out of the 341 in the Portuguese's plan
- For the **non-repayable support** there are 2 targets and 16 milestones that relate to the second instalment (EUR 1 712 m, net of pre-financing)
- The milestones are linked to key steps in the implementation of reforms and investments, in the areas of health, forestry, social care, bioeconomy, transport and digitalization of business, while the targets concern the Creation of regional and sub-regional structures of the National Authority for Emergency and Civil Protection and Secure mobile communications system for government employees
- For the **loan support** there are 2 milestones that relate to the second instalment (EUR 109 m, net of pre-financing). These milestones are linked to Banco Português de Fomento (BPF).

# Portugal's third payment request: overview

	Investments	Reforms	Total
Non-repayable support	25	9	34
Loan support	2	2	4
<b>Total</b>	<b>27</b>	<b>11</b>	<b>38</b>

- The third payment request is expected to concern 38 milestones and targets out of the 341 in the Portuguese's plan
- For the **non-repayable support** there are 19 targets and 15 milestones that relate to the third instalment (EUR 2 092 m, net of pre-financing)
- The milestones are related to reforms and investments in the areas of health, culture, regulated professions, sea economy, forestry, social care, bioeconomy, transport and digitalization of business, decarbonisation of industry and Modernisation and Simplification of Public Financial Management. The targets concern technology investment and reforms in the health sector, housing support, social responses, R/D contracts, electric vehicles charging, Redesign of public and consular services, equipment and resources for the education system.
- For the **loan support** there are 3 milestones and 1 target that relate to the third instalment (EUR 239 m, net of pre-financing). These are related to affordable public housing and student accommodations at affordable costs as well as to reforms related to the development of the capital market.

# Thank you

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