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## COVER NOTE

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Subject:	Proposal for a COUNCIL IMPLEMENTING DECISION amending Implementing Decision (EU) 2020/1354 granting temporary support under Regulation (EU) 2020/672 to the Portuguese Republic to mitigate unemployment risks in the emergency following the COVID-19 outbreak

Delegations will find attached document COM(2022) 505 final.

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Encl.: COM(2022) 505 final



EUROPEAN  
COMMISSION

Brussels, 28.9.2022  
COM(2022) 505 final

2022/0310 (NLE)

Proposal for a

## **COUNCIL IMPLEMENTING DECISION**

**amending Implementing Decision (EU) 2020/1354 granting temporary support under Regulation (EU) 2020/672 to the Portuguese Republic to mitigate unemployment risks in the emergency following the COVID-19 outbreak**

## **EXPLANATORY MEMORANDUM**

### **1. CONTEXT OF THE PROPOSAL**

#### **• Reasons for and objectives of the proposal**

Council Regulation (EU) 2020/672 (“SURE Regulation”) lays down the legal framework for providing Union financial assistance to Member States, which are experiencing, or are seriously threatened with, a severe economic disturbance caused by the COVID-19 outbreak. Support under SURE serves for the financing, primarily, of short-time work schemes or similar measures aimed at protecting employees and the self-employed and thus reducing the incidence of unemployment and loss of income, as well as for the financing, as an ancillary, of some health-related measures, in particular in the workplace.

On 11 August 2020, Portugal requested financial assistance from the Union and on 25 September 2020, with its Implementing Decision (EU) 2020/1354, the Council granted financial assistance to Portugal with a view to complementing its national efforts to address the impact of the COVID-19 outbreak and respond to the socioeconomic consequences of the outbreak for workers and the self-employed.

On 9 December 2021, Portugal requested the Union to extend the list of measures in Council Implementing Decision (EU) 2020/1354. Further to this request, the Council Implementing Decision (EU) 2020/1354 was amended by Council implementing decision (EU) 2022/99 of 25 January 2022.

On 17 September 2022, Portugal requested again Union financial assistance under the SURE Regulation.

In accordance with Article 6(2) of the SURE Regulation, the Commission has consulted the Portuguese authorities to verify the sudden and severe increase in actual and planned expenditure directly related to the Portuguese labour market measures and health-related measures caused by the COVID-19 pandemic. In particular, this pertains to existing measures referred to in Council Implementing Decision (EU) 2020/1354:

- (a) a measure to support the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time, enshrined in Portugal’s Labour Code. Initially, the measure provided for a benefit to eligible firms to cover 70% of employees’ compensation, with employees’ compensation equalling two-thirds of their normal gross salary. This two-thirds correction was subject to a lower limit equal to the national minimum salary and an upper limit equal to three times the national minimum salary. Eligible firms must have suspended their business activities or have suffered significant revenue losses. Subsequently, the measure was extended, including by temporarily increasing employees’ compensation to 100% of their normal gross salary.
- (b) a new and simplified special support for the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time. This measure was similar to the measure referred to in point (a) but had simplified procedures to allow swifter access to funds. Initially, the measure provided for a benefit to eligible firms to cover 70% of employees’ compensation, with employees’ compensation equalling two-thirds of their normal gross salary, as well as the exemption from employer’s social security contributions. This two-thirds correction was subject to a lower limit equal to the national minimum salary and an upper limit

equal to three times the national minimum salary. Eligible firms must have suspended their business activities or have experienced revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year or with the monthly average of the two months prior to that period. Subsequently, the measure was extended a number of times, including by temporarily increasing employees' compensation to 100% of their normal gross salary in specific circumstances.

- (c) when firms were benefitting from the measures referred to in points (a) or (b), and had a training programme approved by the national public employment and training services ("*Instituto do Emprego de Formação Profissional*", IEFP), under the special vocational programmes, training allowances could be granted to cover income replacement, as well as the linked costs for training, to take place during working hours, as an alternative to reducing employees' working time.
- (d) a new special support for firms for the resumption of their business activities. Initially, in order to facilitate the transition back to work and support the retention of jobs, firms whose employees benefited from the measures referred to in points (a) or (b) could receive a benefit equal to either the national minimum salary per relevant employee paid in one single instalment, or to twice the national minimum salary per such employee paid in a phased manner over six months. When support was provided in a phased manner, firms were also to benefit from a partial exemption of 50% from the respective employer's social security contributions with reference to the relevant employees. Subsequently, the measure was extended a number of times, including by adding as eligible firms micro-enterprises whose employees had benefited from the measure referred to in point (f), which could then receive a benefit equal to twice the national minimum salary per such employee paid in a phased manner over six months.
- (e) a new income stabilisation supplement for employees benefitting from measures referred to in points (a) or (b) during at least one month (later specified as 30 consecutive days) in the period from April to June 2020. Eligible employees were those whose gross salary with reference to February 2020 did not exceed twice the national minimum salary. The employees were entitled to receive a benefit equal to the difference between the gross salary of February 2020 and that of the period in which the employees were covered by one of the two above-mentioned measures, with a lower limit of EUR 100 and an upper limit of EUR 351.
- (f) a new and progressive special support for the maintenance of employment contracts through the temporary reduction of normal working time. Initially, the measure provided for a benefit to eligible firms to cover 70% of employees' compensation for hours not worked, with that compensation equalling two-thirds of their normal gross salary corresponding to hours not worked in August and September 2020, or to four-fifths of their normal gross salary corresponding to hours not worked in October to December 2020. The resulting overall gross salary of employees was subject to a lower limit equal to the national minimum wage. The measure also provided for the total or partial exemption from the respective employer's social security contributions, calibrated according to eligible firms being either micro-, small- and medium-sized, or big enterprises. Eligible firms must have suspended their business activities or have experienced revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year or with the monthly average of the two months prior to that period. The maximum temporary reduction of normal working time was calibrated to increase

according to the size of the revenue losses of eligible firms. Subsequently, the measure was extended a number of times, including by making eligible firms that experienced revenue losses of at least 25%, recalibrating the maximum temporary reduction of normal working time according to the size of the revenue losses of eligible firms, temporarily increasing employees' compensation to 100% of their normal gross salary corresponding to hours not worked, and introducing the phasing-out of relief for employer's social security contributions.

- (g) a new special support for self-employed persons, informal workers and managers. Initially, the measure provided a monthly benefit equal to the individuals' registered income, with an upper limit equal to Portugal's social support index ("*Indexante dos Apoios Sociais*", IAS, at EUR 438.81 in 2020). Eligible persons were the individuals suspending their business activities. Subsequently, the measure was extended a number of times, including by making eligible persons experiencing revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year or with the monthly average of the two months prior to that period, and recalibrated so as to make the monthly benefit equal to either the individuals' registered income, with an upper limit equal to Portugal's social support index, when individuals' registered income was lower than 1.5 Portugal's social support index, or to two-thirds of the individuals' registered income, with an upper limit equal to the national minimum salary, when individuals' registered income was equal or greater than 1.5 Portugal's social support index, and setting a lower limit equal to 50% of Portugal's social support index.
- (h) a family allowance for employees prevented from working due to the need to assist their children or other dependents under the age of 12, or, regardless of age, with a disability or chronic illness. The measure provided a benefit corresponding to two-thirds of the normal gross salary, paid in equal parts by the employer and social security, with a lower limit equal to the national minimum salary and an upper limit equal to three times the national minimum salary.
- (i) a special support for the maintenance of trainers' employment contracts in the light of the cancellation of vocational trainings. Public support consisted in a benefit covering the trainers' salary in spite of the vocational trainings not having taken place.
- (j) a sickness allowance owing to the contraction of COVID-19. Compared with Portugal's standard sickness allowance scheme, the granting of the COVID-19 sickness allowance was not subject to a waiting period. Public support consisted in a benefit equal to the gross salary.
- (k) an allowance for employees and self-employed persons that were temporarily prevented from exercising their professional activities due to being in prophylactic isolation. The granting of the allowance was not subject to a waiting period. Benefiting employees or self-employed persons were entitled to an allowance equal to their normal gross salary.
- (l) a number of regional employment-related measures in the autonomous region of the Azores. The specific measures were intended to preserve employment in the Azores during the COVID-19 outbreak, including a regional top-up on nation-wide schemes, namely on short-time work, as well as support for the self-employed and for firms for the resumption of their business activities. Support under these measures was conditional on firms preserving employment contracts and maintaining their business activities.

- (m) a number of regional employment-related measures in the autonomous region of Madeira. The specific measures were intended to preserve employment in Madeira during the COVID-19 outbreak, including a regional top-up on nation-wide schemes, namely on short-time work, as well as support for the self-employed and for firms for the resumption of their business activities. Support under these measures was conditional on firms preserving employment contracts and maintaining their business activities.
- (n) an extraordinary support scheme for self-employed workers, workers without access to other social protection mechanisms, and managers whose income was particularly affected by the COVID-19 pandemic. In the case of self-employed workers, the measure provided a benefit equal to two-thirds of the drop in the workers' monthly income, with an upper limit equal to EUR 501.16. Eligible self-employed workers were those experiencing a drop in income of at least 40% in the period from March to December 2020, compared with 2019. In the case of workers without access to other social protection mechanisms, the measure provided: (i) for employees, a benefit equal to the difference between the monthly reference value of EUR 501.16 and the average monthly wage per adult in the respective household; or, (ii) for self-employed workers, a benefit equal to two-thirds of the drop in the workers' monthly income, with an upper limit of EUR 501.16. In the case of managers, the measure provided a benefit equal to either their reference average monthly income, when this was below 1.5 Portugal's social support index ("*Indexante dos Apoios Sociais*", IAS, at EUR 438.81 in 2021), or two-thirds of their reference average monthly income, when this was equal or above the aforementioned index. Eligible managers were those whose business activities had been temporarily suspended due to the COVID-19 pandemic, or that were experiencing revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year, or with the monthly average of the two months prior to that period. In all cases, the benefit had a lower limit equal to EUR 50, increased to 50% of the observed monthly income drop when the latter fell between 50% and 100% of Portugal's social support index, or to 50% of Portugal's social support index when the income drop exceeded the aforementioned index.
- (o) a social support scheme for artists, authors, technicians and other art professionals. The measure provided for a monthly benefit equal to Portugal's social support index ("*Indexante dos Apoios Sociais*", IAS, at EUR 438.81 in 2021).
- (p) the purchase of personal protective equipment to be used in the workplace, notably in public hospitals, line ministries, municipalities and the autonomous regions of the Azores and Madeira.
- (q) a school hygiene campaign aimed at ensuring the safe return to work of lecturers, other staff members, and students.
- (r) the testing for the contraction of COVID-19 of inpatients and workers of public hospitals, as well as of employees of nursing homes and childcare facilities.
- (s) a new special compensation for workers in the National Health Service involved in fighting the COVID-19 outbreak. The measure provided for a performance bonus, paid only once, corresponding to an amount equal to 50% of the employee's normal gross salary.
- (t) the hiring of additional health professionals and overtime work in the National Health Service to help address pandemic-related challenges.



Portugal provided the Commission with the relevant information.

Taking into account the available evidence, the Commission proposes to the Council to adopt an Implementing Decision to grant financial assistance to Portugal under the SURE Regulation in support of the measures above.

Health-related measures, as requested by Portugal, including on 17 September 2022, amount to EUR 1 382 230 075.

- **Consistency with existing policy provisions in the policy area**

The present proposal is fully consistent with Council Regulation (EU) 2020/672, under which the proposal is made.

The present proposal comes in addition to another Union law instrument to provide support to Member States in case of emergencies, namely Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund (EUSF) (“Regulation (EC) No 2012/2002”). Regulation (EU) 2020/461 of the European Parliament and of the Council, which amends that instrument to extend its scope to cover major public health emergencies and to define specific operations eligible for financing, was adopted on 30 March 2020.

- **Consistency with other Union policies**

The proposal is part of a range of measures developed in response to the current COVID-19 pandemic such as the “Coronavirus Response Investment Initiative”, and it complements other instruments that support employment such as the European Social Fund and the European Fund for Strategic Investments (EFSI)/InvestEU. By making use of borrowing and lending in this particular case of the COVID-19 outbreak for supporting Member States, this proposal acts as a second line of defence to finance short-time work schemes and similar measures, helping protect jobs and thus employees and self-employed against the risk of unemployment.

## **2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY**

- **Legal basis**

The legal basis for this instrument is Council Regulation (EU) 2020/672.

- **Subsidiarity (for non-exclusive competence)**

The proposal follows a Member State request and shows European solidarity by providing Union financial assistance in the form of temporary loans to a Member State affected by the COVID-19 outbreak. As a second line of defence, such financial assistance supports the government’s increased public expenditure on a temporary basis in respect of short-time work schemes and similar measures to help them protect jobs and thus employees and self-employed against the risk of unemployment and loss of income.

Such support will help the population affected and helps to mitigate the direct societal and economic impact caused by the present COVID-19 crisis.

- **Proportionality**

The proposal respects the proportionality principle. It does not go beyond what is necessary to achieve the objectives sought by the instrument.

### **3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS**

- **Stakeholder consultations**

Due to the urgency to prepare the proposal so that it can be adopted in a timely manner by the Council, a stakeholder consultation could not be carried out.

- **Impact assessment**

Due to the urgent nature of the proposal, no impact assessment was carried out.

### **4. BUDGETARY IMPLICATIONS**

The Commission should be able to contract borrowings on the financial markets with the purpose of on-lending them to the Member State requesting financial assistance under the SURE instrument.

In addition to the provision of Member State guarantees, other safeguards are built into the framework in order to ensure the financial solidity of the scheme:

- A rigorous and conservative approach to financial management;
- A construction of the portfolio of loans that limits concentration risk, annual exposure and excessive exposure to individual Member States whilst ensuring sufficient resources could be granted to Member States most in need; and
- Possibilities to roll over debt.



Proposal for a

## COUNCIL IMPLEMENTING DECISION

**amending Implementing Decision (EU) 2020/1354 granting temporary support under Regulation (EU) 2020/672 to the Portuguese Republic to mitigate unemployment risks in the emergency following the COVID-19 outbreak**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EU) 2020/672 of 19 May 2020 on the establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak<sup>1</sup>, and in particular Article 6(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Further to a request from Portugal on 11 August 2020, the Council, by means of Implementing Decision (EU) 2020/1354<sup>2</sup>, granted financial assistance to Portugal in the form of a loan amounting to a maximum of EUR 5 934 462 488 with a maximum average maturity of 15 years, and with an availability period of 18 months, with a view to complementing Portugal's national efforts to address the impact of the COVID-19 outbreak and respond to the socioeconomic consequences of that outbreak for workers and the self-employed.
- (2) The loan was to be used by Portugal to finance the short-time work schemes, similar measures and health-related measures, as referred to in Article 3 of Implementing Decision (EU) 2020/1354.
- (3) Further to a second request from Portugal on 9 December 2021, the Council, by means of Implementing Decision (EU) 2022/99<sup>3</sup>, extended the list of measures for which financial assistance had already been granted by means of Implementing Decision (EU) 2020/1354, with a view to complementing Portugal's national efforts to address the impact of the COVID-19 outbreak and respond to the socioeconomic consequences of that outbreak for workers and the self-employed.
- (4) The COVID-19 outbreak has immobilised a substantial part of the labour force in Portugal. This has led to a still sudden and severe increase in public expenditure in Portugal in respect of the measures referred to in Article 3 of Implementing Decision (EU) 2020/1354.

<sup>1</sup> OJ L 159, 20.5.2020, p. 1.

<sup>2</sup> Council Implementing Decision (EU) 2020/1354 of 25 September 2020 granting temporary support under Regulation (EU) 2020/672 to the Portuguese Republic to mitigate unemployment risks in the emergency following the COVID-19 outbreak, OJ L 314, 29.9.2020, p. 49-54.

<sup>3</sup> Council Implementing Decision (EU) 2022/99 of 25 January 2022 amending Implementing Decision (EU) 2020/1354 granting temporary support under Regulation (EU) 2020/672 to the Portuguese Republic to mitigate unemployment risks in the emergency following the COVID-19 outbreak, OJ L 17, 26.1.2022, p. 47-51.

- (5) The COVID-19 outbreak and the extraordinary measures implemented by Portugal in 2020, 2021 and 2022 to contain that outbreak and its socioeconomic and health-related impact had and still have a dramatic impact on public finances. In 2020, Portugal had a general government deficit and debt of 5.8% and 135.2% of gross domestic product (GDP) respectively, which narrowed to 2.8% and 127.4% respectively at the end of 2021. According to the Commission's 2022 spring forecast, Portugal is forecast to have a general government deficit and debt of 1.9% and 119.9% of GDP, respectively, by the end of 2022. According to the Commission's 2022 summer interim forecast, Portugal's GDP is projected to increase by 6.5% in 2022.
- (6) On 17 September 2022, Portugal requested further financial assistance from the Union in the amount of EUR 300 000 000 with a view to continuing to complement its national efforts undertaken in 2020, 2021 and 2022 to address the impact of the COVID-19 outbreak and respond to the socioeconomic consequences of the outbreak for workers and the self-employed. In particular, Portugal further extended and/or amended short-time work schemes and similar measures set out in recitals (7) to (21).
- (7) Articles 298 to 308 of "Law No 7/2009 of 12 February"<sup>4</sup>, as further specified by Article 142 of "Law No 75-B/2020 of 31 December"<sup>5</sup>, introduced a measure to support the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time enshrined in Portugal's Labour Code. The measure was described in Article 3(a) of Council Implementing Decision (EU) 2020/1354. Initially, the measure provided for a benefit to eligible firms to cover 70% of employees' compensation, with employees' compensation equalling two-thirds of their normal gross salary. This two-thirds correction was subject to a lower limit equal to the national minimum salary and an upper limit equal to three times the national minimum salary. Eligible firms must have suspended their business activities or have suffered significant revenue losses. Subsequently, the measure was extended, including by temporarily increasing employees' compensation to 100% of their normal gross salary.
- (8) "Decree-Law No 10-G/2020 of 26 March"<sup>6</sup>, as amended by the "Declaration of Rectification No 14/2020 of 28 March"<sup>7</sup>, Article 4 of "Decree-Law No 14-F/2020 of 13 April"<sup>8</sup>, Article 3 of "Decree-Law No 20/2020 of 1 May"<sup>9</sup>, Article 6 of "Decree-Law 20-H/2020 of 14 May"<sup>10</sup>, Article 2 of "Decree-Law No 27-B/2020 of 19 June"<sup>11</sup>, and Article 2 of "Decree-Law No 6-C/2021 of 15 January"<sup>12</sup>, and as further specified by Article 142 of "Law No 75-B/2020 of 31 December"<sup>13</sup>, introduced the new and simplified special support for the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time. The measure was described in Article 3(b) of Council Implementing Decision (EU) 2020/1354. This measure was similar to the measure referred to in recital (7) but had simplified procedures to allow swifter access to funds. Initially, the measure provided for a

<sup>4</sup> "Diário da República n.º 30/2009, Série I de 2009-02-12", pp. 926 – 1029.

<sup>5</sup> "Diário da República n.º 253/2020, 1º Suplemento, Série I de 2020-12-31", pp. 2 – 288.

<sup>6</sup> "Diário da República n.º 61/2020, 1º Suplemento, Série I de 2020-03-26", pp. 7 – 14.

<sup>7</sup> "Diário da República n.º 62-A/2020, Série I de 2020-03-28", pp. 6 – 7.

<sup>8</sup> "Diário da República n.º 72/2020, 2º Suplemento, Série I de 2020-04-13", pp. 6 – 8.

<sup>9</sup> "Diário da República n.º 85-A/2020, Série I de 2020-05-01", pp. 2 – 10.

<sup>10</sup> "Diário da República n.º 94/2020, 2º Suplemento, Série I de 2020-05-14", pp. 2 – 7.

<sup>11</sup> "Diário da República n.º 118/2020, 2º Suplemento, Série I de 2020-06-19", pp. 4 – 9.

<sup>12</sup> "Diário da República n.º 10/2021, 1º Suplemento, Série I de 2021-01-15", pp. 5 – 22.

<sup>13</sup> "Diário da República n.º 253/2020, 1º Suplemento, Série I de 2020-12-31", pp. 2 – 288.

benefit to eligible firms to cover 70% of employees' compensation, with employees' compensation equalling two-thirds of their normal gross salary, as well as the exemption from employer's social security contributions. This two-thirds correction was subject to a lower limit equal to the national minimum salary and an upper limit equal to three times the national minimum salary. Eligible firms must have suspended their business activities or have experienced revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year or with the monthly average of the two months prior to that period. Subsequently, the measure was extended a number of times, including by temporarily increasing employees' compensation to 100% of their normal gross salary in specific circumstances. Since the relief of social security contributions constitutes foregone revenue for the general government, for the purposes of Regulation (EU) 2020/672, it can be considered to be equivalent to public expenditure.

- (9) Articles 5(2) and 7 to 9 of "Decree-Law No 10-G/2020 of 26 March"<sup>14</sup> established that, when firms were benefitting from the measures referred to in recitals (7) or (8), and had a training programme approved by the national public employment and training services ("*Instituto do Emprego de Formação Profissional*", IEFP), under the special vocational programmes, training allowances could be granted to cover income replacement, as well as the linked costs for training, to take place during working hours, as an alternative to reducing employees' working time. The measure was described in Article 3(c) of Council Implementing Decision (EU) 2020/1354.
- (10) Articles 4 and 5 of "Decree-Law No 27-B/2020 of 19 June"<sup>15</sup> and Article 14-A of "Decree-Law No 46-A/2020 of 30 July"<sup>16</sup>, as amended by Article 4 of "Decree-Law No 6-C/2021 of 15 January"<sup>17</sup>, Article 2 of "Decree-Law No 23-A/2021 of 24 March"<sup>18</sup>, and Article 2 of "Decree-Law No 32/2021 of 12 May"<sup>19</sup>, and as specified in "Government Order No 102-A/2021 of 14 May"<sup>20</sup>, introduced a new special support for firms for the resumption of their business activities. The measure was described in Article 3(d) of Council Implementing Decision (EU) 2020/1354. Initially, in order to facilitate the transition back to work and support the retention of jobs, firms whose employees benefited from the measures referred to in recitals (7) or (8) could receive a benefit equal to either the national minimum salary per relevant employee paid in one single instalment, or to twice the national minimum salary per such employee paid in a phased manner over six months. When support was provided in a phased manner, firms were also to benefit from a partial exemption of 50% from the respective employer's social security contributions with reference to the relevant employees. Subsequently, the measure was extended a number of times, including by adding as eligible firms micro-entreprises whose employees had benefited from the measure referred to in recital (12), which could then receive a benefit equal to twice the national minimum salary per such employee paid in a phased manner over six months.
- (11) Article 3 of "Decree-Law No 27-B/2020 of 19 June"<sup>21</sup>, as amended by Article 2 of "Decree-Law No 58-A/2020 of 14 August"<sup>22</sup>, introduced a new income stabilisation

<sup>14</sup> "Diário da República n.º 61/2020, 1º Suplemento, Série I de 2020-03-26", pp. 7 – 14.

<sup>15</sup> "Diário da República n.º 118/2020, 2º Suplemento, Série I de 2020-06-19", pp. 4 – 9.

<sup>16</sup> "Diário da República n.º 147/2020, 1º Suplemento, Série I de 2020-07-30", pp. 2 – 10.

<sup>17</sup> "Diário da República n.º 10/2021, 1º Suplemento, Série I de 2021-01-15", pp. 5 – 22.

<sup>18</sup> "Diário da República n.º 58/2021, 1º Suplemento, Série I de 2021-03-24", pp. 2 – 8.

<sup>19</sup> "Diário da República n.º 92/2021, Série I de 2021-05-12", pp. 3 – 5.

<sup>20</sup> "Diário da República n.º 94/2021, 1º Suplemento, Série I de 2021-05-14", pp. 2 – 11.

<sup>21</sup> "Diário da República n.º 118/2020, 2º Suplemento, Série I de 2020-06-19", pp. 4 – 9.

supplement for employees benefitting from measures referred to in recitals (7) or (8) during at least one month (later specified as 30 consecutive days) in the period from April to June 2020. The measure was described in Article 3(e) of Council Implementing Decision (EU) 2020/1354. Eligible employees were those whose gross salary with reference to February 2020 did not exceed twice the national minimum salary. The employees were entitled to receive a benefit equal to the difference between the gross salary of February 2020 and that of the period in which the employees were covered by one of the two above-mentioned measures, with a lower limit of EUR 100 and an upper limit of EUR 351.

- (12) Article 4 of “Decree-Law No 46-A/2020 of 30 July”<sup>23</sup>, as amended by Article 2 of “Decree-Law No 90/2020 of 19 October”<sup>24</sup>, Article 142 of “Law No 75-B/2020 of 31 December”<sup>25</sup>, Article 3 of “Decree-Law No 6-C/2021 of 15 January”<sup>26</sup>, Article 2 of “Decree-Law No 23-A/2021 of 24 March”<sup>27</sup>, and Article 2 of “Decree-Law No 71-A/2021 of 13 August”<sup>28</sup>, introduced a new and progressive special support for the maintenance of employment contracts through the temporary reduction of normal working time. The measure was described in Article 3(f) of Council Implementing Decision (EU) 2020/1354. Initially, the measure provided for a benefit to eligible firms to cover 70% of employees’ compensation for hours not worked, with that compensation equalling two-thirds of their normal gross salary corresponding to hours not worked in August and September 2020, or to four-fifths of their normal gross salary corresponding to hours not worked in October to December 2020. The resulting overall gross salary of employees was subject to a lower limit equal to the national minimum wage. The measure also provided for the total or partial exemption from the respective employer’s social security contributions, calibrated according to eligible firms being either micro-, small- and medium-sized, or big enterprises. Eligible firms must have suspended their business activities or have experienced revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year or with the monthly average of the two months prior to that period. The maximum temporary reduction of normal working time was calibrated to increase according to the size of the revenue losses of eligible firms. Subsequently, the measure was extended a number of times, including by making eligible firms that had experienced revenue losses of at least 25%, recalibrating the maximum temporary reduction of normal working time according to the size of the revenue losses of eligible firms, temporarily increasing employees’ compensation to 100% of their normal gross salary corresponding to hours not worked, and introducing the phasing-out of relief for employer’s social security contributions. Since the relief of social security contributions constitutes foregone revenue for the general government, for the purposes of Regulation (EU) 2020/672, it can be considered to be equivalent to public expenditure.
- (13) Article 26 of “Decree-Law No 10-A/2020 of 13 March”<sup>29</sup>, as amended by Article 2 of “Decree-Law No 12-A/2020 of 6 April”<sup>30</sup>, Article 2 of “Decree-Law No 14-F/2020 of

<sup>22</sup> “Diário da República n.º 158/2020, 2º Suplemento, Série I de 2020-08-14”, pp. 2 – 3.

<sup>23</sup> “Diário da República n.º 147/2020, 1º Suplemento, Série I de 2020-07-30”, pp. 2 – 10.

<sup>24</sup> “Diário da República n.º 203/2020, Série I de 2020-10-19”, pp. 2 – 7.

<sup>25</sup> “Diário da República n.º 253/2020, 1º Suplemento, Série I de 2020-12-31”, pp. 2 – 288.

<sup>26</sup> “Diário da República n.º 10/2021, 1º Suplemento, Série I de 2021-01-15”, pp. 5 – 22.

<sup>27</sup> “Diário da República n.º 58/2021, 1º Suplemento, Série I de 2021-03-24”, pp. 2 – 8.

<sup>28</sup> “Diário da República n.º 157/2021, 1º Suplemento, Série I de 2021-08-13”, pp. 2 – 4.

<sup>29</sup> “Diário da República n.º 52/2020, 1º Suplemento, Série I de 2020-03-13”, pp. 2 – 13.

<sup>30</sup> “Diário da República n.º 68/2020, 3º Suplemento, Série I de 2020-04-06”, pp. 20 – 24.



13 April”<sup>31</sup>, Article 4 of “Decree-Law No 20-C/2020 of 7 May”<sup>32</sup>, Article 9 of “Law No 27-A/2020 of 24 July”<sup>33</sup>, and Article 2 of “Law No 31/2020 of 11 August”<sup>34</sup>, as well as Article 325-G of “Law No 2/220 of 31 March”<sup>35</sup>, as added by Article 3 of “Law No 27-A/2020 of 24 July”<sup>36</sup>, introduced a new special support for self-employed persons, informal workers and managers. The measure was described in Article 3(g) of Council Implementing Decision (EU) 2020/1354. Initially, the measure provided a monthly benefit equal to the individuals’ registered income, with an upper limit equal to Portugal’s social support index (“*Indexante dos Apoios Sociais*”, IAS, at EUR 438.81 in 2020). Eligible persons were the individuals suspending their business activities. Subsequently, the measure was extended a number of times, including by making eligible persons experiencing revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year or with the monthly average of the two months prior to that period, recalibrated so as to make the monthly benefit equal to either the individuals’ registered income, with an upper limit equal to Portugal’s social support index, when individuals’ registered income was lower than 1.5 Portugal’s social support index, or to two-thirds of the individuals’ registered income, with an upper limit equal to the national minimum salary, when individuals’ registered income was equal or greater than 1.5 Portugal’s social support index, and setting a lower limit equal to 50% of Portugal’s social support index.

- (14) Article 23 of “Decree-Law No 10-A/2020 of 13 March”<sup>37</sup>, as amended by Article 2 of “Decree-Law No 12-A/2020 of 6 April”<sup>38</sup>, and Article 3 of “Law No 16/2021 of 7 April”<sup>39</sup>, introduced a family allowance for employees prevented from working due to the need to assist their children or other dependents under the age of 12, or, regardless of age, with a disability or chronic illness. The measure was described in Article 3(h) of Council Implementing Decision (EU) 2020/1354. The measure provided a benefit corresponding to two-thirds of the normal gross salary, paid in equal parts by the employer and social security, with a lower limit equal to the national minimum salary and an upper limit equal to three times the national minimum salary. This measure can be considered as a similar measure to short-time work schemes, as referred to in Regulation (EU) 2020/672, as it provides income support to employees, which will help to cover the costs of childcare during school closures and therefore help parents to continue working, preventing putting the employment relation at risk.
- (15) “Government Order No 3485-C/2020 of 19 March”<sup>40</sup>, “Government Order No 4395/2020 of 10 April”<sup>41</sup>, and “Government Order No 5897-B/2020 of 28 May”<sup>42</sup>, introduced a special support for the maintenance of trainers’ employment contracts in the light of the cancellation of vocational trainings. The measure was described in Article 3(i) of Council Implementing Decision (EU) 2020/1354. Public support

<sup>31</sup> “*Diário da República* n.º 72/2020, 2º Suplemento, *Série I de 2020-04-13*”, pp. 6 – 8.

<sup>32</sup> “*Diário da República* n.º 89/2020, 1º Suplemento, *Série I de 2020-05-07*”, pp. 2 – 6.

<sup>33</sup> “*Diário da República* n.º 143/2020, 1º Suplemento, *Série I de 2020-07-24*”, pp. 2 – 92.

<sup>34</sup> “*Diário da República* n.º 155/2020, *Série I de 2020-08-11*”, pp. 2 – 4.

<sup>35</sup> “*Diário da República* n.º 64/2020, *Série I de 2020-03-31*”, pp. 2 – 336.

<sup>36</sup> “*Diário da República* n.º 143/2020, 1º Suplemento, *Série I de 2020-07-24*”, pp. 2 – 92.

<sup>37</sup> “*Diário da República* n.º 52/2020, 1º Suplemento, *Série I de 2020-03-13*”, pp. 2 – 13.

<sup>38</sup> “*Diário da República* n.º 68/2020, 3º Suplemento, *Série I de 2020-04-06*”, pp. 20 – 24.

<sup>39</sup> “*Diário da República* n.º 67/2021, *Série I de 2021-04-07*”, pp. 5 – 8.

<sup>40</sup> “*Diário da República* n.º 56/2020, 1º Suplemento, *Série II de 2020-03-19*”, pp. 5 – 7.

<sup>41</sup> “*Diário da República* n.º 71-A/2020, *Série II de 2020-04-10*”, pp. 2 – 3.

<sup>42</sup> “*Diário da República* n.º 104/2020, 2º Suplemento, *Série II de 2020-05-28*”, pp. 3 – 4.

consisted in a benefit covering the of trainers' salary in spite of the vocational trainings not taking place.

- (16) “Order of the Ministers of Labour, Solidarity and Social Security, and of Health No 2875-A/2020 of 3 March”<sup>43</sup>, Article 20 of “Decree-Law 10-A/2020 of 13 March”<sup>44</sup>, as amended by Article 2 of “Decree-Law No 62-A/2020 of 3 September”<sup>45</sup>, and Article 325-F of “Law No 2/2020 of 31 March”<sup>46</sup>, as amended by Article 3 of “Law No 27-A/2020 of 24 July”<sup>47</sup>, introduced a sickness allowance owing to the contraction of COVID-19. The measure was described in Article 3(m) of Council Implementing Decision (EU) 2020/1354. Compared with Portugal’s standard sickness allowance scheme, the granting of the COVID-19 sickness allowance was not subject to a waiting period. Public support consisted in a benefit equal to the beneficiaries’ normal gross salary.
- (17) Article 19 of “Decree-Law No 10-A/2020 of 13 March”<sup>48</sup>, as amended by Article 2 of “Decree-Law No 62-A/2020 of 3 September”<sup>49</sup>, and Article 325-F of “Law No 2/2020 of 31 March”<sup>50</sup>, as amended by Article 3 of “Law No 27-A/2020 of 24 July”<sup>51</sup>, introduced an allowance for employees and self-employed persons that were temporarily prevented from exercising their professional activities due to being in prophylactic isolation. The measure was described in Article 3(l) of Council Implementing Decision (EU) 2020/1354. The granting of the allowance was not subject to a waiting period. Benefiting employees or self-employed persons were entitled to an allowance equal to their normal gross salary.
- (18) “Resolution of the Council of the Regional Government of the Azores No 97/2020 of 8 April”<sup>52</sup>, “Resolution of the Council of the Regional Government of the Azores No 120/2020 of 28 April”<sup>53</sup>, “Resolution of the Council of the Regional Government of the Azores No 128/2020 of 5 May”<sup>54</sup>, “Resolution of the Council of the Regional Government of the Azores No 129/2020 of 5 May”<sup>55</sup>, “Resolution of the Council of the Regional Government of the Azores No 195/2020 of 15 July”<sup>56</sup>, “Resolution of the Council of the Regional Government of the Azores No 196/2020 of 15 July”<sup>57</sup>, and “Resolution of the Council of the Regional Government of the Azores No 200/2020 of 17 July”<sup>58</sup>, introduced a number of regional employment-related measures in the autonomous region of the Azores. The measures were described in Article 3(j) of Council Implementing Decision (EU) 2020/1354. The specific measures were intended to preserve employment in the Azores during the COVID-19 outbreak, including a regional top-up on nation-wide schemes, namely on short-time work, as well as support for the self-employed and for firms for the resumption of their business

<sup>43</sup> “Diário da República n.º 44/2020, 1º Suplemento, Série II de 2020-03-023”, pp. 2 – 3.

<sup>44</sup> “Diário da República n.º 52/2020, 1º Suplemento, Série I de 2020-03-13”, pp. 2 – 13.

<sup>45</sup> “Diário da República n.º 172/2020, 1º Suplemento, Série I de 2020-09-03”, pp. 2 – 5.

<sup>46</sup> “Diário da República n.º 64/2020, Série I de 2020-03-31”, pp. 2 – 336.

<sup>47</sup> “Diário da República n.º 143/2020, 1º Suplemento, Série I de 2020-07-24”, pp. 2 – 92.

<sup>48</sup> “Diário da República n.º 52/2020, 1º Suplemento, Série I de 2020-03-13”, pp. 2 – 13.

<sup>49</sup> “Diário da República n.º 172/2020, 1º Suplemento, Série I de 2020-09-03”, pp. 2 – 5.

<sup>50</sup> “Diário da República n.º 64/2020, Série I de 2020-03-31”, pp. 2 – 336.

<sup>51</sup> “Diário da República n.º 143/2020, 1º Suplemento, Série I de 2020-07-24”, pp. 2 – 92.

<sup>52</sup> “Jornal Oficial – Região Autónoma dos Açores – I Série, Número 54, 8 de abril de 2020”.

<sup>53</sup> “Jornal Oficial – Região Autónoma dos Açores – I Série, Número 65, 28 de abril de 2020”.

<sup>54</sup> “Jornal Oficial – Região Autónoma dos Açores – I Série, Número 68, 5 de maio de 2020”.

<sup>55</sup> “Jornal Oficial – Região Autónoma dos Açores – I Série - Número 68, 5 de maio de 2020”.

<sup>56</sup> “Jornal Oficial – Região Autónoma dos Açores – I Série - Número 104, 15 de julho de 2020”.

<sup>57</sup> “Jornal Oficial – Região Autónoma dos Açores – I Série - Número 104, 15 de julho de 2020”.

<sup>58</sup> “Jornal Oficial – Região Autónoma dos Açores – I Série - Número 106, 17 de julho de 2020”.

activities. Support under these measures was conditional on firms preserving employment contracts and maintaining their business activities.

- (19) “Resolution of the Regional Government of Madeira No 101/2020 of 13 March”<sup>59</sup> and “Ordinance No 133-B/2020 of the Vice-Presidency of the Regional Government of Madeira and of the Regional Secretariat for Social Inclusion and Citizenship of 22 April”<sup>60</sup> introduced a number of regional employment-related measures in the autonomous region of Madeira. The measures were described in Article 3(k) of Council Implementing Decision (EU) 2020/1354. The specific measures were intended to preserve employment in Madeira during the COVID-19 outbreak, including a regional top-up on nation-wide schemes, namely on short-time work, as well as support for the self-employed and for firms for the resumption of their business activities. Support under these measures was conditional on firms preserving employment contracts and maintaining business activities.
- (20) Article 156 of “Law No 75-B/2020 of 31 December”<sup>61</sup>, and subject to the conditions set out in points (2)(c) to (f) therein, as further specified in “Government Ordinance No 19-A/2021 of 25 January”<sup>62</sup>, and as extended by Article 12 of “Decree-Law No 104/2021 of 27 November”<sup>63</sup>, introduced an extraordinary support scheme for self-employed workers, workers without access to other social protection mechanisms, and managers whose income was particularly affected by the COVID-19 pandemic. The measure was described in Article 3(r) of Council Implementing Decision (EU) 2020/1354. In the case of self-employed workers, the measure provided a benefit equal to two-thirds of the drop in the workers’ monthly income, with an upper limit equal to EUR 501.16. Eligible self-employed workers were those experiencing a drop in income of at least 40% in the period from March to December 2020, compared with 2019. In the case of workers without access to other social protection mechanisms, the measure provided: (i) for employees, a benefit equal to the difference between the monthly reference value of EUR 501.16 and the average monthly wage per adult in the respective household; or, (ii) for self-employed workers, a benefit equal to two-thirds of the drop in the workers’ monthly income, with an upper limit of EUR 501.16. In the case of managers, the measure provided a benefit equal to either their reference average monthly income, when this was below 1.5 Portugal’s social support index (“*Indexante dos Apoios Sociais*”, IAS, at EUR 438.81 in 2021), or two-thirds of their reference average monthly income, when this was equal or above the aforementioned index. Eligible managers were those whose business activities had been temporarily suspended due to the COVID-19 pandemic, or that were experiencing revenue losses of at least 40% in the period of 30 days preceding the request for support, compared with the same month of the previous year, or with the monthly average of the two months prior to that period. In all cases, the benefit had a lower limit equal to EUR 50, increased to 50% of the observed monthly income drop when the latter fell between 50% and 100% of Portugal’s social support index, or to 50% of Portugal’s social support index when the income drop exceeded the aforementioned index.

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<sup>59</sup> “Jornal Oficial – Região Autónoma da Madeira – I Série, Número 46, 13 de março de 2020”.

<sup>60</sup> “Jornal Oficial – Região Autónoma da Madeira – 3º Suplemento, I Série, Número 74, 22 de abril de 2020”.

<sup>61</sup> “Diário da República n.º 253/2020, 1º Suplemento, Série I de 2020-12-31”, pp. 2 – 288.

<sup>62</sup> “Diário da República n.º 16/2021, 1º Suplemento, Série I de 2021-01-25”, pp. 2 – 8.

<sup>63</sup> “Diário da República n.º 230-A/2021, Série I de 2021-11-27”, pp. 2 – 21.



- (21) Point 2.5.1 of “Annex to the Resolution of the Council of Ministers No 41/2020 of 6 June”<sup>64</sup>, as further specified by Articles 10 to 12 of “Government Ordinance No 180/2020 of 3 August”<sup>65</sup>, and extended by Articles 5 to 7 of “Annex to Government Ordinance No 37-A/2021 of 15 February”<sup>66</sup>, introduced a social support scheme for artists, authors, technicians and other art professionals. The measure was described in Article 3(s) of Council Implementing Decision (EU) 2020/1354. The measure provided for a monthly benefit equal to Portugal’s social support index (“*Indexante dos Apoios Sociais*”, IAS, at EUR 438.81 in 2021).
- (22) Portugal further extended or amended a series of health-related measures to address the COVID-19 outbreak. In particular, this concerns the measures set in recitals (23) to (27).
- (23) “Norm No 012/2020 of 6 May”<sup>67</sup>, as amended on 14 May 2020, and “Norm No 013/2020 of 10 July”<sup>68</sup>, as amended on 23 June 2020, both issued by the Portuguese Directorate-General for Health, as well as “Decree-Law No 10-A/2020 of 13 March”<sup>69</sup>, allowed for the purchase of personal protective equipment to be used in the workplace, notably in public hospitals, line ministries, municipalities and the autonomous regions of the Azores and Madeira. The measure was described in Article 3(n) of Council Implementing Decision (EU) 2020/1354.
- (24) “Decree-Law No 10-A/2020 of 13 March”<sup>70</sup> introduced a school hygiene campaign aimed at ensuring the safe return to work of lecturers, other staff members, and students. The measure was described in Article 3(o) of Council Implementing Decision (EU) 2020/1354.
- (25) “Norm No 012/2020 of 6 May”<sup>71</sup>, as amended on 14 May 2020, and “Norm No 013/2020 of 10 July”<sup>72</sup>, as amended on 23 June 2020, both issued by the Portuguese Directorate-General for Health, allowed for the testing for the contraction of COVID-19 of inpatients and workers of public hospitals, as well as of employees of nursing homes and childcare facilities. The measure was described in Article 3(p) of Council Implementing Decision (EU) 2020/1354.
- (26) Article 42-A of “Law No 2/2020 of 31 March”<sup>73</sup>, as amended by Article 3 of “Law No 27-A/2020 of 24 July”<sup>74</sup>, and Article 291 of “Law No 75-B/2020 of 31 December”<sup>75</sup>, introduced a new special compensation for workers in the National Health Service involved in fighting the COVID-19 outbreak. The measure was described in Article 3(q) of Council Implementing Decision (EU) 2020/1354. The measure provided for a

<sup>64</sup> “*Diário da República n.º 110-A/2020, Série I de 2020-06-06*”, pp. 2 – 37.

<sup>65</sup> “*Diário da República n.º 149/2020, Série I de 2020-08-03*”, pp. 19 – 25.

<sup>66</sup> “*Diário da República n.º 31/2021, 1º Suplemento, Série I de 2021-02-15*”, pp. 2 – 11.

<sup>67</sup> <https://www.dgs.pt/directrizes-da-dgs/normas-e-circulares-normativas/norma-n-0122020-de-06052020-pdf.aspx>.

<sup>68</sup> <https://www.dgs.pt/directrizes-da-dgs/normas-e-circulares-normativas/norma-n-0132020-de-10062020-pdf.aspx>.

<sup>69</sup> “*Diário da República n.º 52/2020, 1º Suplemento, Série I de 2020-03-13*”, pp. 2 – 13.

<sup>70</sup> “*Diário da República n.º 52/2020, 1º Suplemento, Série I de 2020-03-13*”, pp. 2 – 13.

<sup>71</sup> <https://www.dgs.pt/directrizes-da-dgs/normas-e-circulares-normativas/norma-n-0122020-de-06052020-pdf.aspx>.

<sup>72</sup> <https://www.dgs.pt/directrizes-da-dgs/normas-e-circulares-normativas/norma-n-0132020-de-10062020-pdf.aspx>.

<sup>73</sup> “*Diário da República n.º 64/2020, Série I de 2020-03-31*”, pp. 2 – 336.

<sup>74</sup> “*Diário da República n.º 143/2020, 1º Suplemento, Série I de 2020-07-24*”, pp. 2 – 92.

<sup>75</sup> “*Diário da República n.º 253/2020, 1º Suplemento, Série I de 2020-12-31*”, pp. 2 – 288.

performance bonus, paid only once, corresponding to an amount equal to 50% of the employee's normal gross salary.

- (27) Article 6 of “Decree-Law No 10-A/2020 of 13 March”<sup>76</sup>, and Articles 4 to 8 of “Decree-Law No 10-A/2021 of 2 February”<sup>77</sup>, allowed for the hiring of additional health professionals and overtime work in the National Health Service to help address pandemic-related challenges. The measure was described in Article 3(t) of Council Implementing Decision (EU) 2020/1354.
- (28) Portugal fulfils the conditions for requesting financial assistance set out in Article 3 of Regulation (EU) 2020/672. Portugal has provided the Commission with appropriate evidence that the actual and planned public expenditure has increased by EUR 6 920 192 416 as of 1 February 2020 due to the national measures taken to address the socioeconomic effects of the COVID-19 outbreak. This constitutes a sudden and severe increase because it is also related to an extension or amendment of existing national measures directly related to short-time work scheme and similar measures that cover a significant proportion of undertakings and of the labour force in Portugal. Portugal intends to finance EUR 386 417 324 of the increased amount of expenditure through Union funds from the EU budget and EUR 299 312 604 through its own financing.
- (29) The Commission has consulted Portugal and verified the sudden and severe increase in the actual and planned public expenditure directly related to short-time work schemes and similar measures, as well as the recourse to relevant health-related measures related to the COVID-19 outbreak, as referred to in the request of 17 September 2022, in accordance with Article 6 of Regulation (EU) 2020/672.
- (30) The health-related measures, as referred to in Portugal's request of 17 September 2022 and in recitals (23) to (27) amount to EUR 1 382 230 075.
- (31) Financial assistance should therefore be provided with a view to helping Portugal to address the socioeconomic effects of the severe economic disturbance caused by the COVID-19 outbreak. The Commission should take the decisions concerning maturities, size and release of instalments and tranches in close cooperation with national authorities.
- (32) Given that the availability period indicated in Council Implementing Decision (EU) 2020/1354 has expired, a new availability period for the additional financial assistance is needed. The availability period for financial assistance of 18 months granted by Council Implementing Decision (EU) 2020/1354 should be extended by 21 months and as a consequence the total availability period should be 39 months starting from the first day after Implementing Decision (EU) 2020/1354 has taken effect.
- (33) Portugal and the Commission should take this Decision into account in the loan agreement referred to in Article 8(2) of Regulation (EU) 2020/672.
- (34) This Decision should be without prejudice to the outcome of any 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. It does not override the requirement for Member States to notify instances of potential State aid to the Commission under Article 108 of the Treaty.

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<sup>76</sup> “*Diário da República n.º 52/2020, 1º Suplemento, Série I de 2020-03-13*”, pp. 2 – 13.

<sup>77</sup> “*Diário da República n.º 22/2021, 2º Suplemento, Série I de 2021-02-02*”, pp. 15 – 19.

- (35) Portugal should inform the Commission on a regular basis of the implementation of the planned public expenditure, in order to enable the Commission to assess the extent to which Portugal has implemented that expenditure.
- (36) The decision to provide financial assistance has been reached taking into account existing and expected needs of Portugal, as well as requests for financial assistance pursuant to Regulation (EU) 2020/672 already submitted or planned to be submitted by other Member States, while applying the principles of equal treatment, solidarity, proportionality and transparency,

HAS ADOPTED THIS DECISION:

#### *Article 1*

Implementing Decision (EU) 2020/1354 is amended as follows:

- (1) Article 2 is amended as follows:

- (a) paragraph 1 is replaced by the following:

‘1. The Union shall make available to Portugal a loan amounting to a maximum of EUR 6 234 462 488. The loan shall have a maximum average maturity of 15 years.’;

- (b) paragraph 2 is replaced by the following:

‘2. The availability period for financial assistance granted by this Decision shall be 39 months starting from the first day after this Decision has taken effect.’

- (c) paragraph 4 is replaced by the following:

‘4. The first instalment shall be released subject to the entry into force of the loan agreement provided for in Article 8(2) of Regulation (EU) 2020/672. Any further instalments shall be released in accordance with the terms of that loan agreement or, where relevant, be subject to the entry into force of an addendum thereto, or of an amended loan agreement concluded between Portugal and the Commission replacing the original loan agreement.’;

- (2) Article 3 is replaced by the following:

#### *‘Article 3*

Portugal may finance the following measures:

- (a) the support for the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time, as provided for in Articles 298 to 308 of “Law No 7/2009 of 12 February”, as further specified by Article 142 of “Law No 75-B/2020 of 31 December”;
- (b) the new and simplified special support for the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time, as provided for in “Decree-Law No 10-G/2020 of 26 March”, as

last amended by Article 2 of “Decree-Law No 27-B/2020 of 19 June”, and as further specified by Article 142 of “Law No 75-B/2020 of 31 December”;

- (c) the special vocational programmes for the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time, as provided for in Articles 5(2) and 7 to 9 of “Decree-Law No 10-G/2020 of 26 March”;
- (d) the new special support for firms for the resumption of their business activities, as provided for in Articles 4 and 5 of “Decree-Law No 27-B/2020 of 19 June” and Article 14-A of “Decree-Law No 46-A/2020 of 30 July”, as last amended by Article 2 of “Decree-Law No 32/2021 of 12 May”, and as specified in “Government Order No 102-A/2021 of 14 May”;
- (e) the new income stabilisation supplement for employees benefitting from measures referred to in points (a) or (b) for the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time, as provided for in Article 3 of “Decree-Law No 27-B/2020 of 19 June”, as amended by Article 2 of “Decree-Law No 58-A/2020 of 14 August”;
- (f) the new and progressive special support for the maintenance of employment contracts through the temporary reduction of normal working time, as provided for in Article 4 of “Decree-Law No 46-A/2020 of 30 July”, as last amended by Article 2 of “Decree-Law No 71-A/2021 of 13 August”;
- (g) the new special support for self-employed persons, informal workers and managers, as provided for in Article 26 of “Decree-Law No 10-A/2020 of 13 March”, as last amended by Article 2 of “Law No 31/2020 of 11 August”, as well as Article 325-G of “Law No 2/2020 of 31 March”, as added by Article 3 of “Law No 24-A/2020 of 24 July”;
- (h) the new family allowance for employees prevented from working due to the need to assist their children or other dependents under the age of 12, or, regardless of age, with a disability or chronic illness, as provided for in Article 23 of “Decree-Law No 10-A/2020 of 13 March”, as last amended by Article 3 of “Law No 16/2021 of 7 April”;
- (i) the new special support for the maintenance of trainers’ employment contracts in the light of the cancellation of vocation trainings, as provided for in “Government Order No 3485-C/2020 of 19 March”, “Government Order No 4395/2020 of 10 April”, and “Government Order No 5897-B/2020 of 28 May”;
- (j) the regional employment-related measures in the autonomous region of the Azores as provided for in “Resolution of the Council of the Regional Government of the Azores No 97/2020 of 8 April”, “Resolution of the Council of the Regional Government of the Azores No 120/2020 of 28 April”, “Resolution of the Council of the Regional Government of the Azores No 128/2020 of 5 May”, “Resolution of the Council of the Regional Government of the Azores No 129/2020 of 5 May”, “Resolution of the Council of the Regional Government of the Azores No 195/2020 of 15 July”, “Resolution of the Council of the Regional Government of the Azores No 196/2020 of 15 July” and “Resolution of the Council of the Regional Government of the Azores No 200/2020 of 17 July”;
- (k) the regional employment-related measures in the autonomous region of Madeira, as provided for in “Resolution of the Regional Government of

Madeira No 101/2020 of 13 March” and “Ordinance No 133-B/2020 of the Vice-Presidency of the Regional Government of Madeira and of the Regional Secretariat for Social Inclusion and Citizenship of 22 April”;

- (l) the new allowance for employees and self-employed persons that were temporarily prevented from exercising their professional activities due to being in prophylactic isolation, as provided for in Article 19 of “Decree-Law No 10-A/2020 of 13 March”, as amended by Article 2 of “Decree-Law No 62-A/2020 of 3 September”, and Article 325-F of “Law No 2/2020 of 31 March”, as amended by Article 3 of “Law No 27-A/2020 of 24 July”;
- (m) the new sickness allowance owing to the contraction of COVID-19, as provided for in “Order of the Ministers of Labour, Solidarity and Social Security, and of Health No 2875-A/2020 of 3 March”, Article 20 of “Decree-Law No 10-A/2020 of 13 March”, as amended by Article 2 of “Decree-Law No 62-A/2020 of 3 September”, and Article 325-F of “Law No 2/2020 of 31 March”, as amended by Article 3 of “Law No 27-A/2020 of 24 July”;
- (n) the purchase of personal protective equipment to be used in the workplace, notably in public hospitals, line ministries, municipalities and the autonomous regions of the Azores and Madeira, as provided for in “Norm No 012/2020 of 6 May”, as amended on 14 May 2020, and “Norm No 013/2020 of 10 July”, as amended on 23 June 2020, both issued by the Portuguese Directorate-General for Health, as well as “Decree-Law No 10-A/2020 of 13 March”;
- (o) the school hygiene campaign aimed at ensuring the safe return to work of lecturers, other staff members, and students, as provided for in “Decree-Law No 10-A/2020 of 13 March”;
- (p) for the testing for the contraction of COVID-19 of inpatients and workers of public hospitals, as well as of employees of nursing homes and childcare facilities, as provided for in “Norm No 012/2020 of 6 May”, as amended on 14 May 2020, and “Norm No 013/2020 of 10 July”, as amended on 23 June 2020, both issued by the Portuguese Directorate-General for Health;
- (q) the new special compensation for workers in the National Health Service involved in fighting the COVID-19 outbreak, as provided for in Article 42-A of “Law No 2/2020 of 31 March”, as amended by Article 3 of “Law No 27-A/2020 of 24 July, and Article 291 of “Law No 75-B/2020 of 31 December”;
- (r) the new extraordinary support scheme for self-employed workers, workers without access to other social protection mechanisms, and managers whose income has been particularly affected by the COVID-19 pandemic, as provided for in Article 156 of “Law No 75-B/2020 of 31 December”, and subject to the conditions set out in points (2)(c) to (f) therein, as further specified in “Government Ordinance No 19-A/2021 of 25 January”, and as extended by Article 12 of “Decree-Law No 104/2021 of 27 November”;
- (s) the new social support scheme for artists, authors, technicians and other art professionals, as provided for in point 2.5.1 of “Annex to the Resolution of the Council of Ministers No 41/2020 of 6 June”, as further specified by Articles 10 to 12 of “Government Ordinance No 180/2020 of 3 August”, and extended by Articles 5 to 7 of “Annex to Government Ordinance No 37-A/2021 of 15 February”;

- (t) the hiring of additional health professionals and overtime work in the National Health Service to help address pandemic-related challenges, as provided for in Article 6 of “Decree-Law No 10-A/2020” of 13 March, and Articles 4 to 8 of “Decree-Law No 10-A/2021 of 2 February”.’

*Article 2*

This Decision is addressed to the Portuguese Republic.

Done at Brussels,

*For the Council*  
*The President*