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COVER NOTE

| From: | Ms Ilze JUHANSONE, Secretary General of the European Commission |
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| То: | Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union |
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Delegations will find attached document COM(2020) 473 final.

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2020/0227 (NLE)

Proposal for a

COUNCIL IMPLEMENTING DECISION

granting temporary support under Council Regulation (EU) 2020/672 to Portugal to mitigate unemployment risks in an emergency situation following the COVID-19 outbreak

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

Reasons for and objectives of the proposal

Council Regulation 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 7 August 2020, Portugal requested 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 short-time work schemes and similar measures and health related measures, caused by the COVID-19 pandemic. In particular, it concerns:

- (1) 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 provides a benefit to eligible firms to cover 70 % of the employees' compensation, with employees' compensation equalling two-thirds of their normal gross salary. This two-thirds correction is 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 activity or be experiencing significant revenue losses.
- (2) the 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 is similar to the measure referred to point (1) but has simplified procedures to allow swifter access to funds. The measure provides a benefit to eligible firms to cover 70 % of the employees' compensation, with employees' compensation equalling two-thirds of their normal gross salary, as well as the exemption from the employer's social security contributions. This two-thirds correction is 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 activity or 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 measure has been extended a number of times, including by revising the calculation of employees' compensation to four-fifths of their normal gross salary and introducing the phasing-out of relief for social security contributions of benefitting firms
- in cases where firms are in crisis due to the COVID-19 outbreak, are benefitting from measures referred to in point (1) or (2) and have a training program approved by national public employment and training services, under the special vocational programmes, employees and companies can receive a training allowance to cover income replacement, as well as the linked costs for training, to take place during working hours as an alternative to reducing working time.

- (4) a special support for firms for the resumption of business activity. In order to facilitate the transition back to work and facilitate the retention of jobs, firms whose employees benefited from the measures referred to in point (1) or (2) may 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 is provided in a phased manner, firms are also to benefit from a partial exemption of 50% from the respective employer's social security contributions with reference to the relevant employees.
- (5) an income stabilisation supplement for employees benefitting from measures referred to in point (1) or (2). Eligible employees are those whose gross salary with reference to February 2020 did not exceed twice the national minimum salary. The employees receive a benefit equal to the difference between the gross salary of February 2020 and that of the period in which the employee was covered by one of the two abovementioned support schemes, with a lower limit of EUR 100 and an upper limit of EUR 351.
- a special support for self-employed persons, informal workers and managing partners. The measure provides a monthly benefit equal to either the individuals' registered income, with an upper limit of EUR 438.81 when income is lower than EUR 658.21, or to two-thirds of the individuals' registered income with an upper limit of EUR 438.81 when income is greater than EUR 658.21. An initial lower limit equal to EUR 219.41 was applied on the overall amount of monthly support between 13 March and 30 June 2020. Eligible persons are the individuals suspending their business activity or 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.
- (7) a family allowance for employees prevented from working due to the need to assist their children under 12 years old or other dependents. The measure provides a benefit covering 50% of the employees' compensation. As a rule, employees' compensation corresponds to two-thirds of the normal gross salary, with a lower limit equal to the national minimum salary and an upper limit equal to three times the national minimum salary.
- (8) a special support for the maintenance of trainers' employment contracts in the light of the cancellation of vocational trainings. Public support consists in a benefit covering the of trainers' salary in spite of the vocational trainings not taking place.
- (9) a number of regional employment-related measures in the autonomous region of the Azores. The specific measures, including a regional top-up on nation-wide schemes, namely on short-time work, support for the self-employed and for firms with a view to the resumption of business activity, are intended to preserve employment in the Azores during the COVID-19 outbreak. Support under the measures is conditional on preserving employment contracts and maintaining business activity.
- (10) a number of regional employment-related measures in the autonomous region of Madeira. The specific measures, including a regional top-up on nation-wide schemes, namely on short-time work, support for the self-employed and for firms with a view to the resumption of business activity, are intended to preserve employment in the Azores during the COVID-19 outbreak. Support under the measures is conditional on preserving employment contracts and maintaining business activity.

- an allowance for employees and self-employed that are temporarily prevented from exercising their professional activity due to being in prophylactic isolation. Such workers are entitled to an allowance equal to their base salary.
- 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 is not subject to a waiting period. Public support consists in a benefit equal to the gross salary.
- (13) 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 a health-related measure.
- a school hygiene campaign aimed at ensuring the safe return to work of lecturers, other staff members and students.
- (15) 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.
- a special compensation for workers in the National Health Service involved in fighting the COVID-19 outbreak. It consists in a performance bonus, paid only once, corresponding to an amount equal to 50 % of the employee's normal gross salary.

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 above measures.

• Consistency with existing policy provisions in the policy area

The present proposal is fully consistent with Council Regulation 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.

• 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 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

granting temporary support under Council Regulation (EU) 2020/672 to Portugal to mitigate unemployment risks in an emergency situation 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 outbreak¹, and in particular Article 6(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) On 11 August 2020, Portugal requested financial assistance from the Union with a view to complementing its national efforts to address the impact of the COVID-19 outbreak and its socio-economic consequences for workers.
- (2) The COVID-19 outbreak and the extraordinary measures implemented by Portugal to contain the outbreak and its socio-economic and health-related impact are expected to have a dramatic impact on public finances. According to the Commission's 2020 Spring forecast, Portugal was expected to have a general government deficit and debt of 6.5% and 131.6% of gross domestic product (GDP) respectively by the end of 2020. According to the Commission's 2020 Summer interim forecast, Portugal's GDP is projected to decrease by 9.8% in 2020.
- (3) The COVID-19 outbreak has immobilised a substantial part of the labour force in Portugal. This has led to a sudden and severe increase in public expenditure by Portugal in respect of short-time work schemes and similar measures, as well as the recourse to relevant health-related measures related to the COVID-19 outbreak, as set out in recitals 4 to 17.
- (4) "Law No 7/2009 of 12 February", as it is referred to in Portugal's request of 11 August 2020, introduces 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 provides a benefit to eligible firms to cover 70 % of the employees' compensation, with employees' compensation equalling two-thirds of their normal gross salary. This two-thirds correction is 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 activity or be experiencing significant revenue losses.
- (5) "Decree-Law No 10-G/2020 of 26 March" and "Decree-Law No 27-B/2020 of 19 June", as they are referred to in Portugal's request of 11 August 2020, have been the

OJ L 159, 20.5.2020, p.1.

basis for the introduction of a number of measures to address the impact of the COVID-19 outbreak. This includes the 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 is similar to the measure referred to in recital 4 but has simplified procedures to allow swifter access to funds. The measure provides a benefit to eligible firms to cover 70 % of the employees' compensation, with employees' compensation equalling two-thirds of their normal gross salary, as well as the exemption from the employer's social security contributions. This twothirds correction is 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 activity or 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 measure has been extended a number of times, including by revising the calculation of employees' compensation to four-fifths of their normal gross salary and introducing the phasing-out of relief for social security contributions of benefitting firms. Since the relief of social security contributions consists of forgone revenue for the government, for the purposes of Council Regulation 2020/672, they can be considered equivalent to public expenditure.

- (6) In cases where firms are in crisis due to the COVID-19 outbreak, are benefitting from measures referred to in recitals 4 or 5 and have a training program approved by national public employment and training services, under the special vocational programmes, employees and companies can receive a training allowance to cover income replacement, as well as the linked costs for training, to take place during working hours as an alternative to reducing working time.
- (7) Furthermore, the authorities have introduced a special support for firms for the resumption of business activity. In order to facilitate the transition back to work and facilitate the retention of jobs, firms whose employees benefited from the measures referred to in recitals 4 or 5 may 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 is provided in a phased manner, firms are also to benefit from a partial exemption of 50% from the respective employer's social security contributions with reference to the relevant employees.
- (8) Finally, under Decree-Law No 27-B/2020 of 19 June, the authorities have introduced an income stabilisation supplement for employees benefitting from measures referred to in recitals 4 or 5. Eligible employees are those whose gross salary with reference to February 2020 did not exceed twice the national minimum salary. The employees receive a benefit equal to the difference between the gross salary of February 2020 and that of the period in which the employee was covered by one of the two abovementioned support schemes, with a lower limit of EUR 100 and an upper limit of EUR 351.
- (9) "Decree-Law No 10-A/2020 of 13 March" and "Law No 2/2020 of 31 March" as they are referred to in Portugal's request of 11 August 2020, introduce a special support for self-employed persons, informal workers and managing partners. The measure provides a monthly benefit equal to either the individuals' registered income, with an upper limit of EUR 438.81 when income is lower than EUR 658.21, or to two-thirds of

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as amended by Law 27-A/2020 of 24 July;

- the individuals' registered income with an upper limit of EUR 438.81 when income is greater than EUR 658.21. An initial lower limit equal to EUR 219.41 was applied on the overall amount of monthly support between 13 March and 30 June 2020. Eligible persons are the individuals suspending their business activity or 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.
- (10) "Decree-Law No 10-A/2020 of 13 March", as it is referred to in Portugal's request of 11 August 2020, introduces a family allowance for employees prevented from working due to the need to assist their children under 12 years old or other dependents. The measure provides a benefit covering 50% of the employees' compensation. As a rule, employees' compensation corresponds to two-thirds of the normal gross salary, with a lower limit equal to the national minimum salary and an upper limit equal to three times the national minimum salary. This measures can be considered as a similar measure to short-time work schemes, as referred to in Regulation (EU) 2020/672, as it provide 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.
- (11) "Government Order No 3485-C/2020 of 17 March", "Government Order No 4395/2020 of 10 April" and "Government Order No 5897-B/2020 of 28 May", as they are referred to in Portugal's request of 11 August 2020, introduce a special support for the maintenance of trainers' employment contracts in the light of the cancellation of vocational trainings. Public support consists in a benefit covering the trainers' salary in spite of the vocational trainings not taking place.
- (12)"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", as they are referred to in Portugal's request of 11 August 2020, introduce a number of regional employment-related measures in the autonomous region of the Azores. The specific measures, including a regional top-up on nation-wide schemes, namely on short-time work, support for the self-employed and for firms with a view to the resumption of business activity, are intended to preserve employment in the Azores during the COVID-19 outbreak. Support under the measures is conditional on preserving employment contracts and maintaining business activity.
- "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", as they are referred to in Portugal's request of 11 August 2020, introduce a number of regional employment-related measures in the autonomous region of Madeira. The specific measures, including a regional top-up on nation-wide schemes, namely on short-time work, support for the self-employed and for firms with a view to the resumption of business activity, are intended to preserve employment in the Azores during the COVID-19 outbreak. Support under the measures is conditional on preserving employment contracts and maintaining business activity.

- (14) "Decree-Law No 10-A/2020 of 13 March" and "Law No 2/2020 of 31 March"³, as they are referred to in Portugal's request of 11 August 2020, provide for an allowance for employees and self-employed that are temporarily prevented from exercising their professional activity due to being in prophylactic isolation. Such workers are entitled to an allowance equal to their base salary. The legal basis also introduce 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 is not subject to a waiting period. Public support consists in a benefit equal to the gross salary.
- (15) "Decree-Law No 10-A of 13 March", as it is referred to in Portugal's request of 11 August 2020, allow 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 as a health-related measure. Furthermore, the legal base introduces a school hygiene campaign aimed at ensuring the safe return to work of lecturers, other staff members and students
- (16) The authorities have introduced 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. This amount is financed from the general budget and is, therefore, without an explicit legal base.
- (17) Finally, "Law No 27-A/2020 of 24 July", as it is referred to in Portugal's request of 11 August 2020, introduces a special compensation for workers in the National Health Service involved in fighting the COVID-19 outbreak. It consists in a performance bonus, paid only once, corresponding to an amount equal to 50 % of the employee's normal gross salary.
- (18) 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 5 934 462 488 as of 1 February 2020 due to the national measures taken to address the socioeconomic effects of the COVID-19 outbreak. The increase directly related to the measures above that are short-time work schemes or similar measures constitutes a sudden and severe increase because it is related to both new measures and an increase in demand for existing measures, which together cover a significant proportion of undertakings and the labour force in Portugal.
- (19) 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, referred to in the request of 11 August 2020, in accordance with Article 6 of Regulation (EU) 2020/672.
- (20) Financial assistance should therefore be provided with a view to helping Portugal to address the socio-economic effects of the severe economic disturbance caused by the COVID-19 outbreak.
- (21) 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 TFEU. It does not override the requirement for Member States to notify instances of potential State aid to the Commission under Article 108 TFEU.

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as amended by Law 27-A/2020 of 24 July.

- (22) 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.
- (23) The decision to provide financial assistance has been taken 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

Portugal fulfils the conditions set out in Article 3 of Regulation (EU) 2020/672.

Article 2

- 1. The Union shall make available to Portugal a loan amounting to a maximum of EUR 5 934 462 488. The loan shall have a maximum average maturity of 15 years.
- 2. The availability period for financial assistance granted by this Decision shall be 18 months starting from the first day after the entry into force of this Decision.
- 3. The Union financial assistance shall be made available by the Commission to Portugal in a maximum of eight instalments. An instalment may be disbursed in one or several tranches. The maturities of the tranches under the first instalment may be longer than the maximum average maturity referred to in paragraph 1. In such cases, the maturities of further tranches shall be set so that the maximum average maturity referred to in paragraph 1 is respected once all instalments have been disbursed.
- 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.
- 5. Portugal shall pay the cost of funding of the Union referred to in Article 4 of Regulation (EU) 2020/672 for each instalment plus any fees, costs and expenses of the Union resulting from any funding.
- 6. The Commission shall decide on the size and release of instalments, as well as on the size of the tranches.

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, as provided for by Articles 298 308 of Law No 7/2009 of 12 February;
- (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 by Decree-Law No 10-G/2020 of 26 March and Article 2 of Decree-Law No 27-B/2020 of 19 June;
- (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 by Articles 7 9 of Decree-Law No 10-G/2020 of 26 March;

- (d) the new special support for firms for the resumption of business activity, as provided for by Articles 4(1)-(7) and (10)-(12), and 5 of Decree-Law No 27-B/2020 of 19 June;
- (e) the new income stabilisation supplement for employees covered by either the above-mentioned support for the maintenance of employment contracts through the temporary interruption of work or reduction of normal working time enshrined in Portugal's Labour Code, or the new and simplified support introduced in response to the COVID-19 pandemic as provided for by Article 3 of Decree-Law No 27-B/2020 of 19 June;
- (f) the new and progressive special support for the maintenance of employment contracts through the temporary reduction of normal working time as provided for by Decree-Law No 46-A/2020 of 30 July;
- (g) the new special support for the self-employed, informal workers and managing partners as provided for by Articles 26 28 of Decree-Law No 10-A/2020 of 13 March and Article 325-G of Law No 2/2020 of 31 March as amended by Article 3 of Law 27-A/2020 of 24 July;
- (h) the family allowance for employees prevented from working due to the need to assist their children under 12 years old or other dependents as provided for by Article 23 of Decree-Law No 10-A/2020 of 13 March;
- (i) the special support for the maintenance of trainers' employment contracts in the light of the cancellation of vocational trainings as provided for by Government Order No 3485-C/2020 of 17 March, Government Order No 4395/2020 of 10 April and Government Order No 5897-B/2020 of 28 May;
- the regional employment-related measures in the autonomous region of the Azores as provided for by 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 by 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 allowance for employees and self-employed in prophylactic isolation as provided for by Article 19 of Decree-Law No 10-A/2020 of 13 March 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 sickness allowance owing to the contraction of COVID-19 as provided for by Article 20 of Decree-Law No 10-A/2020 of 13 March and Article No 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 by Article 3 of Decree-Law No 10-A of 13 March;
- (o) the school hygiene campaign as provided for by Article 9 of Decree-Law No 10-A/2020 of 13 March;
- (p) the testing for contraction of COVID-19 of inpatients and workers of public hospitals, as well as of employees of nursing homes and childcare facilities;
- (q) the new special compensation for workers in the National Health Service involved in fighting the COVID-19 outbreak as provided for by 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.

Article 4

Portugal shall inform the Commission by [DATE: 6 months after date of publication of this Decision], and every 6 months thereafter of the implementation of the planned public expenditure until such time as that planned public expenditure has been fully implemented.

Article 5

This Decision is addressed to the Portuguese Republic.

Article 6

This Decision shall be published in the *Official Journal of the European Union*. Done at Brussels,

For the Council The President