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#### LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL IMPLEMENTING DECISION amending the Implementing

Decision of 13 July 2021 on the approval of the assessment of the

recovery and resilience plan for Portugal

#### **COUNCIL IMPLEMENTING DECISION**

of ...

# amending the Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Portugal

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility<sup>1</sup>, and in particular Article 20(1) thereof,

Having regard to the proposal from the European Commission,

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OJ L 57, 18.2.2021, p. 17, ELI: http://data.europa.eu/eli/reg/2021/241/oj.

#### Whereas:

- (1) Following the submission of the national recovery and resilience plan ('RRP') by Portugal on 22 April 2021, the Commission has proposed its positive assessment to the Council. On 13 July 2021, the Council approved the positive assessment by means of an implementing decision ('the Council Implementing Decision of 13 July 2021')<sup>2</sup>. The Council Implementing Decision of 13 July 2021 was amended by Council implementing decisions of 17 October 2023<sup>3</sup> and 8 October 2024<sup>4</sup>.
- On 3 February 2025, Portugal made a reasoned request to the Commission to make a proposal to amend the Council Implementing Decision of 13 July 2021 in accordance with Article 21(1) of Regulation (EU) 2021/241 on the grounds that the RRP is partially no longer achievable because of objective circumstances. On that basis, Portugal has submitted an amended RRP.

#### Amendments based on Article 21 of Regulation (EU) 2021/241

(3) The amendments to the RRP submitted by Portugal because of objective circumstances concern 108 measures.

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<sup>&</sup>lt;sup>2</sup> See documents ST 10149/21 and ST 10149/21 ADD 1 REV 1 at http://register.consilium.europa.eu.

See documents ST 13351/23 and ST 13351/23 ADD 1 REV 1 at http://register.consilium.europa.eu.

See documents ST 13497/24 and ST 13497/24 ADD 1 at http://register.consilium.europa.eu.

- (4) Portugal has explained that five measures are no longer achievable at all due to the fact that tenders did not attract enough bidders and due to unexpected technical difficulties that significantly delayed implementation. These concern milestone 6.26 and target 6.27 of investment C06-i08-RAM (Extension of the CITMA building) and the description of investment C06-i08-RAM under component 6 (Qualifications and skills); milestone 9.9 of investment C09-i02 (Hydraulic multi-purpose enterprise of Crato, planning phase) and the description of investment C09-i02; milestones 9.10 and 9.11 of investment C09-i04 (Hydraulic multi-purpose enterprise of Crato) and the description of investment C09-i04 under component 9 (Water Management); target 15.7 of investment C15-i03 (Light Rail Transit Odivelas – Loures) and the description of investment C15-i03 under component 15 (Sustainable Mobility); and milestone 21.40 and target 21.41 of investment C21-i15-RAA (Acquisition of two electric ferries) and the description of investment C21-i15-RAA under component 21 (REPowerEU). On this basis, Portugal has requested that the aforementioned milestones, targets and investment descriptions be removed. The Council Implementing Decision of 13 July 2021 should be amended accordingly.
- (5) Portugal has explained that three measures are partially no longer achievable due to unexpected technical difficulties that significantly delayed their implementation. These concern milestones 9.5, 9.6 and 9.7 and target 9.8 of investment C09-i01 (Algarve Water Efficiency Regional Plan) and the description of the respective sub-investments under investment C09-i01; and target 14.13 of C14-i03-RAA (Energy transition in the Azores) and the description of the respective sub-investment under investment C14-i03-RAA under component 14 (Hydrogen and Renewables). On this basis, Portugal has requested that the aforementioned milestones, targets and sub-investment descriptions be removed. Furthermore, Portugal has requested that the implementation timeline for target 12.4 of investment C12-i01 (Bioeconomy) be extended. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

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Portugal has explained that nine measures are partially no longer achievable due to the fact that tenders did not attract enough bidders and due to insufficient offers. These concern target 2.18 of investment RE-02-i04-RAA (Increasing housing conditions in the housing stock of the Autonomous Region of the Azores) and the description of investment RE-02-i04-RAA under component 2 (Housing); target 3.13 of investment C03-i04-RAA (Implementing the Regional Strategy for Combating Poverty and Social Exclusion – Social Support Networks (ARA)) under component 3 (Social Response); milestone 4.3 and target 4.5 of investment C04-i01 (Cultural Networks and Digital Transition) and the description of investment C04-i01 under component 4 (Culture); target 5.19 of investment C05-i05-RAA (Economic Recovery of Azorean Agriculture) under component 5 (Investment and Innovation); targets 8.3 and 8.20 of investment C08-i01 (Landscape Transformation in Vulnerable Forest Areas) under component 8 (Forests); targets 10.15 and 10.16 of investment C10-i06-RAM (Oceanic technologies) under component 10 (Sea); and target 13.3 of investment C13-i01-RAM (Energy efficiency in residential buildings) under component 13 (Energy Efficiency in Buildings). On this basis, Portugal has requested that the level of implementation of the aforementioned milestones and targets be decreased and that the corresponding descriptions of investments be amended. Furthermore, Portugal has requested that target 4.2 of investment C04-i01 (Cultural Networks and Digital Transition) be amended to include commercial establishments other than bookstores. Furthermore, Portugal has requested that the implementation timeline for milestone 10.3 of investment C10-i01 (Blue Hub, Network of Infrastructure for the Blue Economy); target 13.3 of investment C13-i01 (Energy efficiency in residential buildings); and target 15.11 of investment C15-i04 (Bus Rapid Transit Boavista – Império) be extended and that the corresponding descriptions of investments be amended. Furthermore, Portugal has requested that the wording of target 8.2 of investment C08-i01 (Landscape Transformation in Vulnerable Forest Areas) be amended and that its implementation timeline be shortened. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

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(7) Portugal has explained that six measures are partially no longer achievable due to insufficient demand. These concern target 3.12 of investment C03-i04-RAA (Implementing the Regional Strategy for Combating Poverty and Social Exclusion – Social Support Networks (ARA)) under component 3 (Social Response); target 6.10 of investment C06-i05-RAA (Adult Qualification and Lifelong Learning(ARA)) under component 6 (Qualifications and skills); targets 16.10 and 16.11 of investment C16-i02 (Digital Transition of Enterprises) under component 16 (Enterprises 4.0); and target 20.12 of investment C20-i02-RAA (Digital education (Azores)) and the description of investment C20-i02-RAA under component 20 (Digital School). On this basis, Portugal has requested that the level of implementation of the aforementioned targets be decreased. Furthermore, Portugal has requested that the implementation timeline for target 14.9 of investment C14-i02-RAM (Renewable electricity potentiation in the Madeira Arquipelago); and target 16.11 of investment C16-i02 (Digital Transition of Enterprises) under component 16 (Enterprises 4.0) be extended and that the corresponding descriptions of investments be amended. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(8) Portugal has explained that four measures are partially no longer achievable due to supply constraints. These concern the description of investment C01-i07-RAM (Digitalisation of Madeira's Regional Health Service) under component 1 (National Health Service); target 2.24 of investment C02-i05 (Affordable public housing stock) and the description of investment C02-i05; target 2.31 of investment C02-i08-RAA (Reinforcement of the social housing stock) and the description of investment C02-i08-RAA under component 2 (Housing); and target 21.37 of investment C21-i13-RAM (Decarbonisation of transport) and the description of investment C21-i13-RAM under component 21 (REPowerEU). On this basis, Portugal has requested that the level of implementation of the aforementioned targets be decreased and that the corresponding descriptions of investments be amended. Furthermore, Portugal has requested that targets 2.21, 2.22 and 2.23 of investment C02-i05 (Affordable public housing stock) be removed. Furthermore, Portugal has requested that the implementation timeline for target 1.35 of investment C01-i07-RAM (Digitalisation of Madeira's Regional Health Service) under component 1 (National Health Service) be extended. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

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- (9) Portugal has explained that four measures are partially no longer achievable due to unexpected technical difficulties that resulted in extended negotiations being required with stakeholders. These concern milestone 8.6 of investment C08-i02 (Rural property registry and Land Cover Monitoring System) and the description of investment C08-i02; target 8.8 of investment C08-i03 (Fuel management breaks primary network) under component 8 (Forests); and milestone 21.38 of investment C21-i14 (Bus Rapid Transit Braga) under component 21 (REPowerEU). On this basis, Portugal has requested that the implementation timeline for the aforementioned milestones and target be extended. Furthermore, Portugal has requested that the level of implementation of target 8.9 of investment C08-i03 (Fuel management breaks primary network) under component 8 (Forests) and of milestone 21.38 and target 21.39 of investment C21-i14 (Bus Rapid Transit Braga) be decreased and the description of investment C21-i14 be amended. The Council Implementing Decision of 13 July 2021 should be amended accordingly.
- (10) Portugal has explained that investment C15-i02 (Expansion of the Porto Metro Network Casa da Música-Santo Ovídio) under component 15 (Sustainable Mobility) is partially no longer achievable due to unexpected geological conditions and archaeological findings that required additional safety and protection measures resulting in the delay of works. On this basis, Portugal has requested that milestone 15.5 be removed, the level of implementation of milestone 15.6 be decreased and the description of investment C15-i02 be amended. Furthermore, Portugal has requested that investment C15-i08 (Expansion of the Porto Metro Network Casa da Música-Santo Ovídio, construction phase) be added. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(11) Portugal has explained that investment C15-i01 (Expansion of the Lisbon Metro Network – Red Line to Alcântara) under component 15 (Sustainable Mobility) is partially no longer achievable due to litigation that delayed the obtainment of the necessary permits and the start of works. On this basis, Portugal has requested that milestone 15.2 be removed, the level of implementation of target 15.3 be decreased and the description of investment C15-i01 be amended. Furthermore, Portugal has requested that investment C15-i07 (Expansion of the Lisbon Metro Network – Red Line to Alcântara, construction phase) be added. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(12)Portugal has explained that 40 measures have been amended as a better alternative for the implementation of each measure exists that allows the original ambition of each measure to be achieved. These concern milestone 1.26 of investment C01-i04 (Construction of East Lisbon Hospital and equipment for hospitals in Lisbon and Vale do Tejo) and the description and name of investment C01-i04; targets 1.27, 1.28 and 1.31 of investment C01-i05-RAM (Strengthening Madeira's Regional Health Service) and the description of investment C01-i05-RAM; target 1.43 of investment C01-i10 (NHS Technology Modernisation Programme) and the description of investment C01-i10 under component 1 (National Health System); targets 2.7 and 2.8 of investment C02-i02 (National Emergency and Temporary Accommodation Grant) and the description of investment C02-i02; targets 2.11 and 2.12 of C02-i03-RAM (Strengthening of the supply of social housing in the Autonomous Region of Madeira) and the description of investment C02-i03-RAM; targets 2.13 and 2.17 of investment RE-02-i04-RAA (Increasing housing conditions in the housing stock of the Autonomous Region of the Azores); targets 2.25 and 2.28 of investment C02-i06 (Student accommodations at affordable prices) and the description of investment C02-i06; target 2.32 of C02-i09 (Scaled-up measure: Support Programme for Access to Housing (loan)) and the description of investment C02-i09 under component 2 (Housing); the description of investment C03-i01 (New generation of equipment and social responses) and target 3.1 of investment C03-i01 (New generation of equipment and social responses); targets 3.6, 3.7, 3.8 and 3.9 of investment C03-i02 (Accessibility 360°) and the description of investment C03-i02;

target 3.16 of investment C03-i04-RAA (Implementing the Regional Strategy for Combating Poverty and Social Exclusion – Social Support Networks (ARA)) and the description of investment C03-i04-RAA; target 3.26 of investment C03-i06 (Integrated operations in disadvantaged communities in the Metropolitan Areas of Lisbon and Porto) and the description of investment C03-i06 under component 3 (Social Response); target 5.17 of investment C05-i04-RAA (Recapitalisation of the Business System of the Azores) and the description of investment C05-i04-RAA; target 5.22 of investment C05-i05-RAA (Economic Recovery of Azorean Agriculture); targets 5.29 and 5.32 of investment C05-i06 (Capitalisation of companies and financial resilience/Banco Português de Fomento) and the description of investment C05-i06 under component 5 (Investment and Innovation); target 6.20 of investment C06-i06 (Capacities in Science) under component 6 (Qualifications and Skills); the description of investment C07-i01; target 7.5 of investment C07-i06 (Business Reception Areas – Completion) under component 7 (Infrastructure); target 8.16 of investment C08-i05 (More Forest Programme) under component 8 (Forests); milestones 10.9 and 10.10 of investment C10-i04-RAA (Development of the 'Cluster do Mar dos Açores') and the description of investment C10-i04-RAA under component 10 (Sea); targets 13.1 and 13.2 of investment C13-i01 (Energy efficiency in residential building) and the description of investment C13-i01 under component 13 (Energy Efficiency in Buildings); milestone 15.15 and target 15.16 of investment C15-i06 (Digitisation of Rail Transport) and the description of investment C15-i06 under component 15 (Sustainable Mobility); targets 16.3 and 16.4 of investment C16-i01 (Digital Empowerment of Enterprises) and the description of investment C16-i01; targets 16.6 and 16.8 of investment C16-i02 (Digital Transition of Enterprises) and the description of investment C16-i02 under component 16 (Enterprises 4.0);

milestone 18.3 of reform C18-r33 (Economic justice and business environment) and the description of reform C18-r33; milestones 18.7 and 18.8 of investment C18-i01 (Economic justice and business environment) and the description of investment C18-i01 under component 18 (Economic Justice and Business Environment); milestone 19.25 of investment C19-i01 (Redesign of public and consular services) and the description of investment C19-i01; targets 19.6, 19.7, 19.8, 19.9 and 19.10 of investment C19-i03 (Strengthening the overall cybersecurity framework) and the description of investment C19-i03; milestones 19.12 and 19.14 of investment C19-i04 (Efficient, secure and shared critical digital infrastructure) and the description of investment C19-i04; milestone 19.17 of investment C19-i05-RAM (Digital transition of Madeira's public administration); target 19.21 of investment C19-i07 (Public administration empowered to create public value) and the description of investment C19-i07; milestone 19.30 of reform C19-r41 (Access to Public Services: harmonise and consolidate in-person and online access) and the description of reform C19-r41 under component 19 (Digital Public Administration); targets 20.4, 20.5, 20.6, 20.7 and 20.9 of investment C20-i01 (Digital transition in education) under component 20 (Digital School); the description of reform C21-r46 (Regulatory framework for renewable hydrogen); target 21.1 of investment C21-i01 (Scaled-up measure: Decarbonisation of Industry) and the description of investment C21-i01; target 21.2 of investment C21-i02 (Scaled-up measure: Energy efficiency in residential buildings) and the description of investment C21-i02; milestone 21.28 of investment C21-i08 (Network flexibility and storage) and the description of investment C21-i08; target 21.34 of investment C21-i11-RAM (System of incentives for the production and storage of energy from renewable sources in Madeira and Porto Santo) and the description of investment C21-i11-RAM; and target 21.35 of investment C21-i12 (Scaled-up measure: Decarbonisation of Public Transport) under component 21 (REPowerEU).

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On this basis, Portugal has requested that the wording of the aforementioned milestones, targets and descriptions of investments be amended. Furthermore, Portugal has requested that the implementation timeline for target 1.30 of C01-i05-RAM (Strengthening Madeira's Regional Health Service) under component 1 (National Health System); target 5.17 of investment C05-i04-RAA (Recapitalisation of the Business System of the Azores); targets 5.29 and 5.32 of investment C05-i06 (Capitalisation of companies and financial resilience/Banco Português de Fomento) under component 5 (Investment and Innovation); targets 16.3 and 16.4 of investment C16-i01 (Digital Empowerment of Enterprises); milestone 19.14 of investment C19-i04 (Efficient, secure and shared critical digital infrastructure); milestone 19.17 of investment C19-i05-RAM (Digital transition of Madeira's public administration) under component 19 (Digital Public Administration); target 20.9 of investment C20-i01 (Digital transition in education); milestone 21.23 of reform C21-r48 (Simplification of the legal and regulatory framework applicable to renewable energy projects); and target 21.34 of investment C21-i11-RAM under component 21 (REPowerEU) be extended and that the corresponding descriptions of investments and reforms be amended. Furthermore, Portugal has requested that the implementation of target 1.28 of investment C01-i05-RAM (Strengthening Madeira's Regional Health Service); target 6.28 of investment C06-i09 (New or renovated schools) under component 6 (Qualifications and Skills); milestone 15.15 of investment C15-i06 (Digitisation of Rail Transport); and milestone 19.30 of reform C19-r41 (Access to Public Services: harmonise and consolidate in-person and online access) be shortened and that the descriptions of investment C07-i01 (Business Reception Areas) and of reform C19-r41 be amended.

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Furthermore, Portugal has requested to add investment C01-i12 (Construction of the East Lisbon Hospital) and milestone 1.45 under component 1 (National Health Service); investment C07-i06 (Business Reception Areas – Completion) under component 7 (Infrastructure); and milestone 18.10 of reform C18-r33 under component 18 (Economic Justice and Business Environment). Furthermore, Portugal has requested to remove target 2.10 of investment C02-i03-RAM (Strengthening of the supply of social housing in the Autonomous Region of Madeira); targets 2.26 and 2.27 of investment C02-i06 (Student accommodations at affordable prices) under component 2 (Housing); target 13.4 of investment C13-i01 (Energy efficiency in residential building); target 16.5 of investment C16-i02 (Digital Transition of Enterprises) under component 16 (Enterprises 4.0); and target 21.3 of investment c21-i02 (Scaled-up measure: Energy efficiency in residential buildings) under component 21 (REPowerEU). Furthermore, Portugal has requested that the ambition in implementation of target 1.28 of investment C01-i05 RAM (Strengthening Madeira's Regional Health Service) be decreased. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(13)Portugal has explained that 46 measures have been amended as a better alternative for the implementation of each measure exists that allows to reduce the administrative burden, whilst still reaching the objectives of the respective measure. These concern target 1.10 of reform r03 (Completion of the reform of the governance model of public hospitals) and the description of reform r03; target 1.15 and milestones 1.16, 1.17, 1.18 and 1.19 of investment C01-i01 (Primary health care services with more answers) and the description of investment C01-i01; targets 1.21 and 1.22 of investment C01-i02 (National Network of Integrated Continued Care and National Network of Palliative Care) and the description of investment C01-i02; target 1.23 and milestone 1.25 of investment C01-i03 (Completion of the mental health reform and implementation of the dementia strategy) and the descriptions of investments C01-i03 and C01-i09 (Universal Active Life Support System) under component 1 (National Health System); target 2.3 of investment C02-i01 (Support Programme for Access to Housing) and the description of investment C02-i01; target 2.30 of investment C02-i07-RAA (Infrastructure for parcels of land for residential housing) under component 2 (Housing); the description of investment C03-i03-RAM (Strengthening social responses in the Autonomous Region of Madeira (ARM)) under component 3 (Social Responses); target 5.6 of investment C05-i01.01 (Mobilising Agendas/Alliances for Business Innovation); the description of investment C05-i01.02 (Green Agendas/Alliances for business innovation); target 5.45 of investment C05-i11 (Scale-up: Mobilising Agendas/Alliances for Business Innovation (Loans)) and the description of investment C05-i11 under component 5 (Investment and Innovation); target 6.2 of investment C06-i01 (Modernisation of vocational education and training institutions); the description of investment C06-i02 (Sustainable Employment Commitment);

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target 6.6 of investment C06-i03 (Adult incentive) and the description of investment C06-i03; targets 6.7, 6.8 and 6.9 of investment C06-i04 (Youth impulse – STEAM) and the description of investment C06-i04; target 6.11 of investment C06-i05-RAA (Adult Qualification and Lifelong Learning (ARA)) and the description of investment C06-i05-RAA; target 6.25 of investment C06-i07 (More digital impulse) under component 6 (Qualifications and skills); targets 9.3 and 9.4 of investment C09-i01 (Algarve Water Efficiency Regional Plan) and the description of investment C09-i01; target 9.13 of investment C09-i03-RAM (Plan for water efficiency and strengthening of supply and irrigation systems of Madeira) under component 9 (Water Management); milestones 10.2 and 10.3 of investment C10-i01 (Blue Hub, Network of Infrastructure for the Blue Economy) and the description of investment C10-i01; target 10.4 of investment C10-i02 (Green and Digital Transition and Safety in Fisheries) and the description of investment C10-i02; milestone 10.7 of investment C10-i03 (Atlantic Defence Operations Centre and naval platform); milestone 10.13 of investment C10-i06-RAM (Oceanic technologies) and the description of investment C10-i06-RAM under component 10 (Sea); the description of investment C11-i01 (Decarbonisation of industry) under component 11 (Decarbonisation of Industry); target 13.5 of investment C13-i02 (Energy efficiency in central government buildings) and the description of investment C13-i02; target 13.8 of investment C13-i03 (Energy efficiency in buildings used by the services sector) and the description of investment C13-i03 under component 13 (Energy Efficiency in Buildings); milestone 14.2 and target 14.3 of investment C14-i01 (Hydrogen and renewable gases) and the description of investment C14-i01; targets 14.6 and 14.7 of investment C14-i02-RAM (Renewable electricity potentiation in the Madeira Archipelago) and the description of investment C14-i02-RAM under component 14 (Hydrogen and Renewables);

target 16.15 of investment C16-i03 (catalyst for the Digital Transition of Enterprises) and the description of investment C16-i03; target 16.16 of investment C16-i04 (Industry 4.0) and the description of investment C16-i04; the description of investment C16-i05-RAA (Digital Capacity and Transformation of Enterprises in the Azores); the description of investment C16-i06-RAM (Enterprise 4.0) under component 16 (Enterprises 4.0); milestone 17.5 and target 17.8 of reform C17-r32 (Modernisation and Simplification of Public Financial Management) and the description of reform C17-r32; target 17.18 of investment C17-i03 (Digital transition of Social Security services) under component 17 (Quality and Sustainability of Public Finances); target 19.6 of investment C19-i02 (Sustainable electronic services) and the description of investment C19-i02; the description of investment C19-i06-RAA (Digital transition of the public administration in Azores) under component 19 (Digital Public Administration); target 20.11 of investment C20-i02-RAA (Digital education (Azores)); target 20.15 of investment C20-i03-RAM (Accelerating the digitalisation of ARM education) and the description of investment C20-i03-RAM under component 20 (Digital School); the description of investment C21-i09 (One-stop-shop for the licensing and monitoring of renewable energy projects); and target 21.33 of investment C21-i11-RAM (System of incentives for the production and storage of energy from renewable sources in Madeira and Porto Santo) and the description of investment C21-i11-RAM and the description of investment 21-r44 (Development of energy efficiency one-stop shops for citizens (Citizens Energy Spaces)) under component 21 (REPowerEU). On this basis, Portugal has requested that the wording of the aforementioned milestones and targets and descriptions of reforms and investments be amended.

Furthermore, Portugal has requested that the implementation timeline for target 3.10 of investment C03-i03-RAM (Strengthening social responses in the Autonomous Region of Madeira (ARM)); target 5.6 of investment C05-i01.01 (Mobilising Agendas/Alliances for Business Innovation); target 5.45 of investment C05-i11 (Scale-up: Mobilising Agendas/Alliances for Business Innovation (Loans)); target 9.1 of investment C09-i01 (Algarve Water Efficiency Regional Plan); target 14.7 of investment C14-i02-RAM (Renewable electricity potentiation in the Madeira Archipelago); target 16.17 of investment C16-i04 (Industry 4.0); target 21.6 of investment C21-i04-RAM (Energy efficiency in public buildings in Madeira); and milestone 21.31 of investment C21-i09 (One-stop-shop for the licensing and monitoring of renewable energy projects) under component 21 (REPowerEU) be extended and that the corresponding descriptions of investments be amended. Furthermore, Portugal has requested that target 1.14 of investment C01-i01 (Primary health care services with more answers) under component 1 (National Health Service); target 2.29 of investment C02-i01 (Support Programme for Access to Housing) under component 2 (Housing); target 5.8 of investment C05-i01.02 (Green Agendas/Alliances for business innovation); target 5.40 of investment C05-i09 (Scale-up: Mobilising Agendas/Alliances for Business Innovation) and the description of investment C05-i09; target 5.42 of investment C05-i10 (Scale-up: Green Agendas/Alliances for business innovation) and the description of investment C05-i10; target 5.47 of investment C05-i12 (Scale-up: Green Agendas/Alliances for business innovation) under component 5 (Investment and Innovation); target 6.1 of investment C06-i01 (Modernisation of vocational education and training institutions); target 13.4 of investment C13-i01 (Energy efficiency in residential buildings); targets 13.6 and 13.7 of investment C13-i02 (Energy efficiency in central government buildings);

targets 13.9 and 13.10 of investment C13-i03 (Energy efficiency in buildings used by the services sector) under component 13 (Energy Efficiency in Buildings); target 14.8 of investment C14-i02-RAM (Renewable electricity potentiation in the Madeira Arquipelago); target 19.5 of investment C19-i02 (Sustainable electronic services); target 21.5 of C21-i04-RAM (Energy efficiency in public buildings in Madeira); and milestone 21.30 of investment C21-i09 (One-stop-shop for the licensing and monitoring of renewable energy projects) under component 21 (REPowerEU) be removed. Furthermore, Portugal has requested that the implementation timeline for milestone 1.9 of reform r3 (Completion of the reform of the governance model of public hospitals) under component 1 (National Health System) be shortened and that the descriptions of reform r3 under component 1 (National Health System) and investments C05-i01.02 (Green Agendas/Alliances for business innovation) under component 5 (Investment and Innovation) be amended. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(14)Portugal has further requested the use of the resources freed up by the removal of measures and the decrease in the level of their implementation under Article 21 of Regulation (EU) 2021/241 in order to add seven new measures and increase the level of implementation of 21 measures. This request concerns target 1.44 of new investment C01-i11-RAA (Modernisation and requalification of the Regional Health Service) and the description of new investment C01-i11-RAA under component 1 (National Health Service); target 5.50 of new investment C05-i13 (Scientific research units) and description of new investment C05-i13; milestone 5.51 and target 5.52 of new investment C05-i14 (Business innovation) and description of new investment C05-i14; milestone 5.53 and target 5.54 of new investment C05-i15-RAA (Equity fund for the recapitalisation of the Business System of the Azores) and description of new investment C05-i15-RAA; milestone 5.48 and target 5.49 of new investment C05-i16 (InvestEU Member State Compartment) and description of new investment C05-i16 under component 5 (Investment and Innovation); target 9.14 of new investment C09-i05 (Alqueva Photovoltaic Park) and description of new investment C09-i05 under component 9 (Water Management); and target 12.10 of new investment C12-i02 (Recycling and recovery of waste) and description of new investment C12-i02 under component 12 (Bioeconomy). On this basis, Portugal has requested that the aforementioned milestones and targets and investment descriptions be added. Furthermore, Portugal has requested that the level of required implementation of the following milestones and targets be increased and that the relevant corresponding investment descriptions be amended: target 3.4 of investment C03-i01 (New generation of equipment and social responses);

target 3.8 of investment C03-i02 (Accessibility 360°); target 3.14 of investment C03-i04-RAA (Implementing the Regional Strategy for Combating Poverty and Social Exclusion – Social Support Networks (ARA)); target 3.28 of investment C03-i07-RAA (Upgrading and expanding the network of residential care homes for the elderly (ERPIs)) and the description of investment C03-i07-RAA; target 4.8 of investment C04-i02 (Cultural Heritage); targets 5.20 and 5.21 of investment C05-i05-RAA (Economic Recovery of Azorean Agriculture) and the description of investment C05-i05-RAA; target 5.36 and milestones 5.37 and 5.38 of investment C05-i08 (More Digital Science) and the description of investment C05-i08; target 6.29 of investment C06-i09 (New or renovated schools) and the description of investment C06-i09; new target 8.22 of investment C08-i05 (More Forest Programme) and the description of investment C08-i05; new target 9.15 of investment C09-i01 (Algarve Water Efficiency Regional Plan); milestone 10.9 of investment C10-i04-RAA (Development of the 'Cluster do Mar dos Açores') and the description of investment C10-i04-RAA; new target 13.11 of investment C13-i01 (Energy efficiency in residential buildings) under component 13 (Energy Efficiency in Buildings); new target 14.15 of investment C14-i02-RAM (Renewable electricity potentiation in the Madeira Arquipelago) and the description of investment C14-i02-RAM; target 14.14 of investment C14-i03-RAA (Energy transition in the Azores); target 16.17 of investment C16-i04 (Industry 4.0) and the description of investment C16-i04; milestone 19.13 of investment C19-i04 (Efficient, secure and shared critical digital infrastructure); milestone 19.35 of investment C19-i08 (Intelligent Territories) and the description of investment C19-i08:

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target 21.36 of investment C21-i12 (Scaled-up measure: Decarbonisation of Public Transport); and milestone 21.23 and new target 21.44 of reform C21-r48 (Simplification of the legal and regulatory framework applicable to renewable energy projects) and the description of reform C21-r48. Furthermore Portugal has requested that the timeline for milestone 5.38 of investment C05-i08 (More Digital Science); milestone 19.13 of investment C19-i04 (Efficient, secure and shared critical digital infrastructure) and milestone 21.23 of reform C21-r48 (Simplification of the legal and regulatory framework applicable to renewable energy projects) be extended and that the descriptions of investment C05-i08 (More Digital Science) and investment C08-i05 (More Forest Programme) be amended. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(15) The Commission considers that the reasons put forward by Portugal justify the amendments pursuant to Article 21(2) of Regulation (EU) 2021/241. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

## Distribution of milestones and targets

(16) The distribution of milestones and targets in instalments should be modified to take into account the amendments to the RRP and the indicative timeline presented by Portugal.

## Corrections of clerical errors

Five clerical errors have been identified in the text of the Council Implementing Decision (17)of 13 July 2021, affecting eight milestones and targets and six measures under five components. The Council Implementing Decision of 13 July 2021 should be amended to correct those clerical errors, which do not reflect the content of the RRP submitted to the Commission on 22 April 2021, as agreed between the Commission and Portugal. Those clerical errors relate to milestone 4.11 of investment C04-i02 (Cultural Heritage) and the description of investment C04-i02 under component 4 (Culture); target 7.14 of investment C07-i05-RAA (Logistic Circuits – Regional Network of the Azores); target 5.34 of investment C05-i07-RAM (Capitalisation instruments for companies in Madeira) under component 5 (Investment and Innovation); target 10.12 of investment C10-i05-RAA (Energy transition, digitalisation and reduction of environmental impact in the fisheries and aquaculture sector) and the description of investment C10-i05-RAA under component 10 (Sea); target 14.12 of C14-i03-RAA (Energy transition in the Azores) under component 14 (Hydrogen and Renewables); section S.4 (Milestones, targets, indicators, and timetable for monitoring and implementation for the loan) under component 19; milestone 19.30 of reform C19-r41 (Access to Public Services: harmonise and consolidate in-person and online access) and the description of reform C19-r41; and milestones 19.31, 19.32 and 19.33 of reform C19-r42 (New evaluation system to empower and rejuvenate the public administration workforce) and the description of reform C19-r42 under component 19 (Digital Public Administration). Those corrections do not affect the implementation of the measures concerned.

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#### Commission's assessment

(18) The Commission has assessed the amended RRP against the assessment criteria laid down in Article 19(3) of Regulation (EU) 2021/241.

## Do no significant harm

- (19) In accordance with Article 19(3), point (d), of and Annex V, criterion 2.4, to Regulation (EU) 2021/241, the amended RRP is expected to ensure that no measure (rating A) for the implementation of reforms and investment projects included in the RRP does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council<sup>5</sup> (the principle of 'do no significant harm').
- (20) Portugal submitted an assessment of the principle of 'do no significant harm' for each of the following new investments: C01-i12 (Modernisation and requalification of the Regional Health Service); C09-i05 (Alqueva Photovoltaic Park); and C12-i02 (Recycling and recovery of waste). The information provided shows that the amended RRP is expected to ensure compliance with this principle. Other modifications of the measures included in the original RRP do not have an impact on the assessment of the principle of 'do no significant harm'.

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Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13, ELI: http://data.europa.eu/eli/reg/2020/852/oj).

## Contribution to the REPowerEU objectives

- (21) In accordance with Article 19(3), point (da), of and Annex V, criterion 2.12, to Regulation (EU) 2021/241, the REPowerEU chapter is expected to effectively contribute to a large extent (rating A) to energy security, the diversification of the Union's energy supply, an increase in the uptake of renewables and in energy efficiency, an increase of energy storage capacities or the necessary reduction of dependence on fossil fuels before 2030.
- The amendment of the RRP does not materially impact its ambition towards the (22)REPowerEU objectives. In spite of the removal of investment C21-i15-RAA (Acquisition of two electric ferries) and the decrease in the level of implementation of investment C21-i13-RAM (Decarbonisation of transport) and of investment C21-i04-RAM (Energy efficiency in public buildings in Madeira), the amended RRP maintains its significant contribution to the decarbonisation of industry, including transport, and to the production and uptake of renewable energy. The amended RRP includes an increase in the ambition of investment C21-i12 (Scaled-up measure: Decarbonisation of Public Transport); investment C21-i11-RAM (System of incentives for the production and storage of energy from renewable sources in Madeira and Porto Santo); and reform C21-r48 (Simplification of the legal and regulatory framework applicable to renewable energy projects).

#### Contribution to the green transition including biodiversity

- In accordance with Article 19(3), point (e), of and Annex V, criterion 2.5, to Regulation (EU) 2021/241, the amended RRP contains measures that contribute to a large extent (rating A) to the green transition, including biodiversity, or to addressing the challenges resulting therefrom. The measures supporting climate objectives account for an amount which represents 39,09 % of the amended RRP's total allocation and 91,42 % of the total estimated costs of measures in the REPowerEU chapter calculated in accordance with the methodology set out in Annex VI to Regulation (EU) 2021/241. In accordance with Article 17 of Regulation (EU) 2021/241, the amended RRP is consistent with the information included in the National Energy and Climate Plan 2021-2030.
- transition. In spite of a 2,07 % decrease due, in particular, to the removal of investment C15-i03 (Light Rail Transit in Odivelas Loures) and the decrease of ambition of investment C02-i05 (Affordable Public Housing Stock), the amended RRP still significantly supports green transition objectives, the enhancement of biodiversity and environmental protection. In particular, the REPowerEU chapter continues to support the green transition, as its reforms and investments contribute to reduce the reliance on fossil fuels, reduce energy demand and increase energy efficiency.

## Contribution to the digital transition

- In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (25)(EU) 2021/241, the amended RRP contains measures that contribute to a large extent (rating A) to the digital transition or to addressing the challenges resulting from it. The measures supporting digital objectives account for an amount which represents 21,67 % of the amended RRP's total allocation calculated in accordance with the methodology set out in Annex VII to that Regulation.
- (26)The amendment of the RRP reinforces its ambition towards the digital transition. In particular, the increase in the contribution towards the digital transition of investment C05-i06 (Capitalisation of companies and financial resilience) and the increase in ambition of investments C15-i06 (Digitisation of Rail Transport) and C05-i08 (More Digital Science) further contribute to the digitalisation of business.

#### Any other assessment criteria

(27)The Commission considers that the amendments put forward by Portugal do not affect the positive assessment of the RRP set out in the Council Implementing Decision of 13 July 2021 regarding the relevance, effectiveness, efficiency and coherence of the RRP against the assessment criteria laid down in Article 19(3), points (a), (b), (c), (db), (g), (h), (j) and (k), of Regulation (EU) 2021/241.

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## Measures supporting investment operations contributing to the objectives of the Strategic Technologies for Europe Platform (STEP)

In accordance with Article 4(4) of Regulation (EU) 2024/795 of the European Parliament and of the Council<sup>6</sup>, Portugal considered as priority projects those projects that have been awarded a Sovereignty Seal pursuant to Article 4(1) of that Regulation. However, Portugal considered that no project having been awarded a Sovereignty Seal was to be included in the amended RRP because part of those projects have already secured funding from Union sources other than the Recovery and Resilience Facility. In addition, projects with a Sovereignty Seal that have not yet secured funding could be funded under the new measure C05-i14 (Business innovation) in the amended RRP.

#### Positive assessment

Following the positive assessment by the Commission of the amended RRP, with the finding that the RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241, in accordance with Article 20(2) of and Annex V to that Regulation, the reforms and investment projects necessary for the implementation of the amended RRP, the relevant milestones, targets and indicators, and the amount made available from the Union for the implementation of the amended RRP in the form of non-repayable financial support should be set out.

Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP), and amending Directive 2003/87/EC and Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 (OJ L, 2024/795, 29.2.2024, ELI: http://data.europa.eu/eli/reg/2024/795/oj).

#### Financial contribution

(30) The estimated total cost of Portugal's amended RRP is EUR 22 215 870 313. As the amount of the estimated total cost of the amended RRP is higher than the updated maximum financial contribution available for Portugal, the financial contribution determined in accordance with Article 4a of Regulation (EU) 2021/1755 of the European Parliament and of the Council<sup>7</sup> and Article 20(4) and Article 21a(6) of Regulation (EU) 2021/241 allocated for Portugal's amended RRP should be equal to EUR 16 325 113 960. Therefore, the financial contribution made available to Portugal remains unchanged.

## Loans

- (31) The loan support made available to Portugal amounting to EUR 5 890 756 353 remains unchanged.
- (32) The Council Implementing Decision of 13 July 2021 should therefore be amended accordingly. For the sake of clarity, the Annex to the Council Implementing Decision of 13 July 2021 should be replaced entirely,

#### HAS ADOPTED THIS DECISION:

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Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve (OJ L 357, 8.10.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1755/oj).

#### Article 1

The Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Portugal is amended as follows:

(1) Article 1 is replaced by the following:

'Article 1

Approval of the assessment of the RRP

The assessment of the amended RRP of Portugal on the basis of the criteria provided for in Article 19(3) of Regulation (EU) 2021/241 is approved. The reforms and investment projects under the RRP, the arrangements and timetable for the monitoring and implementation of the RRP, including the relevant milestones and targets related to the payment of non-repayable financial support and the additional milestones and targets related to the payment of the loan, the relevant indicators relating to the fulfilment of the envisaged milestones and targets, and the arrangements for providing full access by the Commission to the underlying relevant data are set out in the Annex to this Decision.';

(2) the Annex is replaced by the text set out in the Annex to this Decision.

FN

## Article 2

This Decision is addressed to the Portuguese Repub	lic.
Done at,	
	For the Council
	The President