

Brussels, 14 April 2025
(OR. en)

7994/25

Interinstitutional File:
2025/0093(NLE)

ECOFIN 422
UEM 113
FIN 412
ECB
EIB

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	11 April 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

No. Cion doc.:	COM(2025) 176 final
Subject:	Proposal for a COUNCIL IMPLEMENTING DECISION amending Implementing Decision (EU) (ST 10149/21 INIT, ST 10149/21 ADD 1 REV 1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Portugal

Delegations will find attached document COM(2025) 176 final.

Encl.: COM(2025) 176 final



EUROPEAN
COMMISSION

Brussels, 11.4.2025
COM(2025) 176 final

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Proposal for a

COUNCIL IMPLEMENTING DECISION

**amending Implementing Decision (EU) (ST 10149/21 INIT, ST 10149/21 ADD 1 REV 1)
of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for
Portugal**

{SWD(2025) 94 final}

Proposal for a

COUNCIL IMPLEMENTING DECISION

amending Implementing Decision (EU) (ST 10149/21 INIT, ST 10149/21 ADD 1 REV 1) 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 Facility¹, and in particular Article 20(1) thereof,

Having regard to the proposal from the European Commission,

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. The Council approved the positive assessment by means of the Council Implementing Decision of 13 July 2021². That CID was amended on 17 October 2023³ and 8 October 2024⁴.
- (2) 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.
- (4) Portugal has explained that five measures are totally no longer achievable due to the fact that tenders did not attract enough bidders and unexpected technical difficulties that significantly delayed implementation. This concerns, respectively, milestone 6.26 and target 6.27 of investment C06-i08-RAM: Extension of the CITMA building and investment description C06-i08-RAM under component 6 Qualifications and skills.

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10149/21 INIT, ST 10149/21 ADD 1 REV 1, as amended by ST 13351/23 INIT, ST 13351/23, ADD 1 REV 1, and ST 13497/24 INIT

³ ST 13351/23 INIT, ST 13351/23 ADD 1 REV 1

⁴ ST 13497/24

This concerns milestone 9.9 of investment C09-i02: Hydraulic multi-purpose enterprise of Crato, planning phase and description of investment C09-i02; milestone 9.10 and 9.11 of investment C09-i04: Hydraulic multi-purpose enterprise of Crato and investment description C09-i04 under component 9 Water Management. This concerns target 15.7 of investment C15-i03: Light Rail Transit Odivelas – Loures and description of investment C15-i03, under component 15 Sustainable Mobility. This concerns milestone 21.40, target 21.41 of investment C21-i15-RAA: Acquisition of two electric ferries and description of investment C21-i15-RAA, under component C21 REPowerEU. On this basis, Portugal has requested to remove the aforementioned milestones and targets and investment descriptions. 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 its implementation. This concerns milestone 9.5, milestone 9.6, milestone 9.7 and target 9.8 of investment C09-i01: Algarve Water Efficiency Regional Plan, and description of the respective subinvestments under investment C09-i01. This concerns target 14.13 of C14-i03-RAA: Energy transition in the Azores and description of the respective sub-investment under investment C14-i03-RAA, under component 14 Hydrogen and Renewables. On this basis, Portugal has requested to remove the aforementioned milestones and targets and subinvestment descriptions. Furthermore, Portugal has requested to extend the implementation timeline of target 12.4 of investment C12-i01: Bioeconomy. The Council Implementing Decision of 13 July 2021 should be amended accordingly.
- (6) Portugal has explained that nine measures are partially no longer achievable due to the fact that tenders did not attract enough bidders and insufficient offers. This concerns target 2.18 of investment RE-02-i04-RAA: Increasing housing conditions in the housing stock of the Autonomous Region of the Azores, and description of investment RE-02-i04, under component 2 Housing. This concerns 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. This concerns milestone 4.3, target 4.5 of investment C04-i01: Cultural Networks and Digital Transition and description of investment C04-i01, under component 4 Culture. This concerns target 5.19 of investment C05-i05-RAA: Economic Recovery of Azorean Agriculture, under component 5 Investment and Innovation. This concerns target 8.3 and target 8.20 of investment C08-i01: Landscape Transformation in Vulnerable Forest Areas, under component 8 Forests. This concerns target 10.15 and target 10.16 of investment C10-i06-RAM: Oceanic technologies, under component 10 Sea. This concerns target 13.3 of investment C13-i01: Energy efficiency in residential buildings, under component 13: Energy Efficiency in Buildings. On this basis, Portugal has requested to decrease the level of implementation of the aforementioned milestones, targets and investment descriptions. Furthermore, Portugal has requested to amend target 4.2 of investment C04-i01: Cultural Networks and Digital Transition to include commercial establishments other than bookstores. Furthermore, Portugal has requested to extend the implementation timeline milestone 10.3 of investment C10-i01: Blue Hub, Network of Infrastructure for the Blue Economy and description of investment C10-i01; target 13.3 of investment C13-i01: Energy efficiency in residential buildings and description of respective investment; target 15.11 of investment C15-i04: Bus Rapid Transit Boavista – Império and description of investment C15-i04. Furthermore, Portugal has requested to amend the wording and shorten the implementation timeline of target 8.2 of investment C08-i01: Landscape

Transformation in Vulnerable Forest Areas. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

- (7) Portugal has explained that six measures are partially no longer achievable due to insufficient demand. This concerns 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. This concerns target 6.10 of investment C06-i05-RAA: Adult Qualification and Lifelong Learning(ARA) under component 6 Qualifications and skills. This concerns target 16.10 and target 16.11 of investment C16-i02: Digital Transition of Enterprises, under component 16 Enterprises 4.0. This concerns target 20.12 of investment C20-i02-RAA: Digital education (Azores) and description of investment C20-i02, under component 20 Digital School. On this basis, Portugal has requested to decrease the level of implementation of the aforementioned milestone and target. Furthermore, Portugal has requested to extend the implementation timeline target 14.9 of investment C14-i02-RAM: Renewable electricity potentiation in the Madeira Arquipelago and description of investment C14-i02; target 16.11 of investment C16-i02: Digital Transition of Enterprises, under component 16 Enterprises 4.0. 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. This concerns description of investment C01-i07-RAM: Digitalisation of Madeira's Regional Health Service, under component 1 National Health Service. This concerns target 2.24 of investment C02-i05: Affordable public housing stock and description of investment C02-i05; target 2.31 of investment C02-i08-RAA: Reinforcement of the social housing stock and description of investment C02-i08, under component 2 Housing. This concerns target 21.37 of investment C21-i13-RAM: Decarbonisation of transport and description of investment C21-i13 under component 21 REPowerEU. On this basis, Portugal has requested to decrease the level of implementation of the aforementioned targets and investment descriptions. Furthermore, Portugal has requested to remove target 2.21, target 2.22 and target 2.23 of investment C02-i05: Affordable public housing stock. Furthermore, Portugal has requested to extend the implementation timeline of target 1.35 of investment C01-i07-RAM: Digitalisation of Madeira's Regional Health Service, under component 1 National Health Service. The Council Implementing Decision of 13 July 2021 should be amended accordingly.
- (9) Portugal has explained that four measures are partially no longer achievable due to unexpected technical difficulties that required extended negotiations with stakeholders. This concerns milestone 8.6 of investment C08-i02: Rural property registry and Land Cover Monitoring System and description of investment C08-i02; target 8.8 of investment C08-i03: Fuel management breaks — primary network, under component 8 Forests. This concerns milestone 21.38 of investment C21-i14: Bus Rapid Transit Braga under component 21 REPowerEU. On this basis, Portugal has requested to extend the implementation timeline of the aforementioned milestone and target. Furthermore, Portugal has requested to decrease 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, and description of investment C21-i14. 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 archeological findings that required additional safety and protection measures that delayed works. On this basis, Portugal has requested to remove milestone 15.5, decrease the level of implementation of milestone 15.6 and amend the description of investment C15-i02. Furthermore, Portugal has requested to add investment C15-i08: Expansion of the Porto Metro Network — Casa da Música-Santo Ovídio, construction phase. 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 to, remove milestone 15.2, decrease the level of implementation of target 15.3 and amend the description of investment C15-i01. Furthermore, Portugal has requested to add investment C15-i07: Expansion of the Lisbon Metro Network — Red Line to Alcântara, construction phase. The Council Implementing Decision of 13 July 2021 should be amended accordingly.
- (12) Portugal has explained that 40 measures have been amended to implement better alternatives in order to achieve the original ambition of the measure. This concerns milestone 1.26 of investment C01-i04: Construction of East Lisbon Hospital and equipment for hospitals in Lisbon and Vale do Tejo and description and name of investment C01-i04; target 1.27, target 1.28 and target 1.31 of investment C01-i05-RAM: Strengthening Madeira's Regional Health Service and description of investment C01-i05; target 1.43 of investment C01-i10: NHS Technology Modernisation Programme, and description of investment C01-i10, under component 1 National Health System. This concerns target 2.7 and target 2.8 of investment C02-i02: National Emergency and Temporary Accommodation Grant, and description of investment C02-i02; target 2.11 and target 2.12 of C02-i03-RAM: Strengthening of the supply of social housing in the Autonomous Region of Madeira and description of investment C02-i03-RAM; target 2.13 and target 2.17 of investment RE-02-i04-RAA: Increasing housing conditions in the housing stock of the Autonomous Region of the Azores; target 2.25 and target 2.28 of investment C02-i06: Student accommodations at affordable prices, and description of investment C02-i06, target 2.32 of C02-i09: Scaled-up measure: Support Programme for Access to Housing (loan), description of investment C02-i09, under component 2 Housing. This concerns description of investment C03-i01: New generation of equipment and social responses, target 3.1 of investment C03-i01: New generation of equipment and social responses, target 3.6, target 3.7, target 3.8 and target 3.9 of investment C03-i02: Accessibility 360°, 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), description of investment C03-i04; target 3.26 of investment C03-i06: Integrated operations in disadvantaged communities in the Metropolitan Areas of Lisbon and Porto and description of investment C03-i06 under component 3 Social Response. This concerns target 5.17 of investment C05-i04-RAA: Recapitalisation of the Business System of the Azores and description of investment C05-i04; target 5.22 of investment C05-i05-RAA: Economic Recovery of Azorean Agriculture; target 5.29 and target 5.32 of investment C05-i06: Capitalisation of companies and financial resilience/Banco Português de Fomento, description of investment C05-i06, under component 5 Investment and Innovation. This concerns target 6.20 of investment C06-i06: Capacities in Science, under component 6

Qualifications and Skills. This concerns description of investment C07-i01; target 7.5 of investment C07-i06: Business Reception Areas – Completion, under component 7 – Infrastructure. This concerns target 8.16 of investment C08-i05: More Forest Programme, under component 8 Forests. This concerns milestone 10.9 and milestone 10.10 of investment C10-i04-RAA: Development of the ‘Cluster do Mar dos Açores’, description of investment C10-i04 under component 10 Sea. This concerns target 13.1, target 13.2 of investment C13-i01: Energy efficiency in residential building and description of investment C13-i01, under component 13 Energy Efficiency in Buildings. This concerns milestone 15.15 and target 15.16 of investment C15-i06: Digitisation of Rail Transport and description of investment C15-i06, under component 15 Sustainable Mobility. This concerns target 16.3, target 16.4 of investment C16-i01: Digital Empowerment of Enterprises, description of investment C16-i01; target 16.6 and target 16.8 of investment C16-i02: Digital Transition of Enterprises and description of investment C16-i02 under component 16 Enterprises 4.0. This concerns milestone 18.3 of reform C18-r33: Economic justice and business environment, and description of reform C18-r33; milestone 18.7 and milestone 18.8 of investment C18-i01: Economic justice and business environment and description of investment C18-i01, under component 18 Economic Justice and Business Environment. This concerns milestone 19.25 of investment C19-i01: Redesign of public and consular services and description of investment C19-i01; target 19.6, target 19.7, target 19.8, target 19.9 and target 19.10 of investment C19-i03: Strengthening the overall cybersecurity framework and description of investment C19-i03; milestone 19.12, milestone 19.14 of investment of investment C19-i04: Efficient, secure and shared critical digital infrastructure and 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, 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 description of reform C19-r41, under component 19 Digital Public Administration. This concerns target 20.4, target 20.5, target 20.6, target 20.7 and target 20.9 of investment C20-i01: Digital transition in education under component 20 Digital School. This concerns description of reform C21-r46: Regulatory framework for renewable hydrogen; description of investment and target 21.1 of investment C21-i01: Scaled-up measure: Decarbonisation of Industry, target 21.2 of investment C21-i02: Scaled-up measure: Energy efficiency in residential buildings, description of investment C21-i02, milestone 21.28 of investment C21-i08: Network flexibility and storage, description of investment C21-i08; This concerns 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, description of investment C21-i11; target 21.35 of investment C21-i12: Scaled-up measure: Decarbonisation of Public Transport, under component 21 REPowerEU. On this basis, Portugal has requested to amend the wording of the aforementioned milestones, targets and descriptions of investments. Furthermore, Portugal has requested to extend the implementation timeline of 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 and description of investment C05-i04; target 5.29 and target 5.32 of investment C05-i06: Capitalisation of companies and financial resilience/Banco Português de Fomento and description of investment C05-i06, under component 5 Investment and Innovation; target 16.3, target 16.4 of investment C16-i01: Digital Empowerment of Enterprises, description of investment C16-i01; milestone 19.14 of investment C19-i04: Efficient, secure and

shared critical digital infrastructure and description of investment C19-i04; milestone 19.17 of investment C19-i05-RAM: Digital transition of Madeira's public administration and description of investment C19-i05-RAM, 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 description of reform C21-r48; target 21.34 of investment C21-i11-RAM, under component 21 REPowerEU. Furthermore, Portugal has requested to shorten 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; description of investment C07-i01: Business Reception Areas; milestone 15.15 of investment C15-i06: Digitisation of Rail Transport; milestone 19.30 of reform C19-r41: Access to Public Services: harmonise and consolidate in-person and online access, and description of reform C19-r41. 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; target 2.26, target 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, PT has requested to decrease the ambition in implementation of target 1.28 of investment C01-i05 RAM: Strengthening Madeira's Regional Health Service. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

- (13) Portugal has explained that 46 measures have been amended to implement a better alternative allowing to reduce the administrative burden, whilst still reaching the objectives of the respective measure. This concerns target 1.10 of reform r03: Completion of the reform of the governance model of public hospitals and description of reform r03; target 1.15, milestone 1.16, milestone 1.17, milestone 1.18 and milestone 1.19 of investment C01-i01: Primary health care services with more answers and description of investment C01-i01; target 1.21 and target 1.22 of investment C01-i02: National Network of Integrated Continued Care and National Network of Palliative Care, 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, description of investment C01-i03, description of investment C01-i09: Universal Active Life Support System, under component 1 National Health System. This concerns target 2.3 of investment C02-i01: Support Programme for Access to Housing and 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. This concerns description of investment C03-i03-RAM: Strengthening social responses in the Autonomous Region of Madeira (ARM), under component 3 Social Responses. This concerns target 5.6 of investment C05-i01.01: Mobilising Agendas/Alliances for Business Innovation; 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), description of investment C05-i11, under component 5 Investment and Innovation. This concerns target 6.2 of investment C06-i01: Modernisation of vocational education and training institutions, description of investment C06-i02: Sustainable Employment Commitment, target 6.6 of investment C06-i03: Adult incentive, description of investment C06-i03, target 6.7, target 6.8, target 6.9 of investment C06-i04: Youth impulse – STEAM and description of investment C06-i04, target 6.11 of investment C06-i05-RAA: Adult Qualification and Lifelong Learning(ARA), description of investment C06-i05, target 6.25 of investment C06-i07: More digital impulse, under component 6 Qualifications and skills. This concerns target 9.3 and target 9.4 of investment C09-i01: Algarve Water Efficiency Regional Plan, 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. This concerns milestone 10.2, milestone 10.3 of investment C10-i01: Blue Hub, Network of Infrastructure for the Blue Economy and description of investment C10-i01, target 10.4 of investment C10-i02: Green and Digital Transition and Safety in Fisheries, 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 description of investment C10-i06-RAM, under component 10 Sea. This concerns 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, description of investment C13-i02, target 13.8 of investment C13-i03: Energy efficiency in buildings used by the services sector and description of investment C13-i03, under component 13 Energy Efficiency in Buildings. This concerns milestone 14.2 and target 14.3 of investment C14-i01: Hydrogen and renewable gases and description of investment C14-i01, target 14.6, and target 14.7 of investment C14-i02-RAM: Renewable electricity potentiation in the Madeira Archipelago and description of investment C14-i02 under component 14 Hydrogen and Renewables. This concerns target 16.15 of investment C16-i03: catalyst for the Digital Transition of Enterprises, description of investment C16-i03, target 16.16 of investment C16-i04: Industry 4.0, description of investment C16-i04, description of investment C16-i05-RAA: Digital Capacity and Transformation of Enterprises in the Azores, description of investment C16-i06-RAM: Enterprise 4.0, under component 16 Enterprises 4.0. This concerns milestone 17.5 and target 17.8 of reform C17-r32: Modernisation and Simplification of Public Financial Management and 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. This concerns target 19.6 of investment C19-i02: Sustainable electronic services and description of investment C19-i02; description of investment C19-i06-RAA: Digital transition of the public administration in Azores under component 19 Digital Public Administration. This concerns 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 description of investment C20-i03, under component 20 Digital School. This concerns description of investment C21-i09: One-stop-shop for the licensing and monitoring of renewable energy projects; 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, description of investment C21-i11, 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 to amend the wording of the aforementioned milestones and targets and description of reforms and investments.

Furthermore, Portugal has requested to extend the implementation timeline of target 3.10 of investment C03-i03-RAM: Strengthening social responses in the Autonomous Region of Madeira (ARM) and description of investment C03-i03; target 5.6 of investment C05-i01.01: Mobilising Agendas/Alliances for Business Innovation, description of investment C05-i01.01; target 5.45 of investment C05-i11 - Scale-up: Mobilising Agendas/Alliances for Business Innovation (Loans) and the description of investment C05-i11; 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, and description of investment C16-i04; target 21.6 of investment C21-i04-RAM: Energy efficiency in public buildings in Madeira and description of investment C21-i04-RAM; milestone 21.31 of investment C21-i09: One-stop-shop for the licensing and monitoring of renewable energy projects and description of investment C21-i09, under component 21 REPowerEU. Furthermore, Portugal has requested to remove 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 description of investment C05-i09; target 5.42 of investment C05-i10— - Scale-up: Green Agendas/Alliances for business innovation and 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; target 13.6 and target 13.7 of investment C13-i02: Energy efficiency in central government buildings, target 13.9 and target 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 Archipelago; target 19.5 of investment C19-i02: Sustainable electronic services, target 21.5 of C21-i04-RAM: Energy efficiency in public buildings in Madeira; milestone 21.30 of investment C21-i09: One-stop-shop for the licensing and monitoring of renewable energy projects under component 21 REPowerEU. Furthermore, Portugal has requested to shorten the implementation timeline of milestone 1.9 of reform r3: Completion of the reform of the governance model of public hospitals, and description of reform r3, under component 1 National Health System; the description of investment C05-i01.02: Green Agendas/Alliances for business innovation; description of investment C05-i12— - Scale-up: Green Agendas/Alliances for business innovation, under component 5 Investment and Innovation. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

- (14) Portugal has further requested to use 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 to add seven new measures and increase the level of implementation of 21 measures. This concerns new target 1.44 of investment C01-i11-RAA: Modernisation and requalification of the Regional Health Service and description of investment C01-i11, under component 1 National Health Service. This concerns new target 5.50 of investment C05-i13— Scientific research units and new description of investment C05-i13; new milestone 5.51 and target 5.52 of investment C05-i14: - Business innovation and new description of investment C05-i14; new

milestone 5.53 and target 5.54 of investment C05-i15 i15 RAA: Equity fund for the recapitalisation of the Business System of the Azores and new description of investment C05-i15; new milestone 5.48 and target 5.49 of investment C05-i16: InvestEU Member State Compartment and description of new investment C05-i16, under component 5 Investment and Innovation. This concerns new target 9.14 of investment C09-i05: Alqueva Photovoltaic Park and new investment description of investment C09-i05 under component 9 Water Management. This concerns new target 12.10 of 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 to add the aforementioned milestones and targets and investment descriptions. Furthermore, Portugal has requested to increase the level of required implementation of the following milestones, targets and investment descriptions. This concerns 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); investment description and target 3.28 of investment C03-i07-RAA: Upgrading and expanding the network of residential care homes for the elderly (ERPis); target 4.8 of investment C04-i02: Cultural Heritage; investment description, target 5.20 and target 5.21 of investment C05-i05-RAA: Economic Recovery of Azorean Agriculture; investment description, target 5.36, milestone 5.37 and milestone 5.38 of investment C05-i08: More Digital Science; investment description and target 6.29 of investment C06-i09: New or renovated schools; investment description and new target 8.22 of investment C08-i05: More Forest Programme; new target 9.15 of investment C09-i01: Algarve Water Efficiency Regional Plan; investment description and milestone 10.9 of investment C10-i04-RAA: Development of the ‘Cluster do Mar dos Açores’; 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 description of investment C14-i02; target 14.14 of C14-i03-RAA: Energy transition in the Azores; target 16.17 of investment C16-i04: Industry 4.0, and description of investment C16-i04; milestone 19.13 of investment C19-i04: Efficient, secure and shared critical digital infrastructure; investment description and milestone 19.35 of investment C19-i08 Intelligent Territories; target 21.36 of investment C21-i12: Scaled-up measure: Decarbonisation of Public Transport; 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 description of reform C21-r48. Furthermore Portugal has requested to extend the timeline of milestone 5.38 of investment C05-i08 and the respective investment description, description of investment C08-i05: More Forest Programme, 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. The Council Implementing Decision of should be amended accordingly.

- (15) The Commission considers that the reasons put forward by Portugal justify the amendment(s) pursuant to Article 21(2) of Regulation (EU) 2021/241, and 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 plan and the indicative timeline presented by Portugal

Corrections of clerical errors

- (17) 5 clerical errors have been identified in the text of the Council Implementing Decision, affecting 8 milestones/targets and 6 measures under 5 components. The Council Implementing Decision should be amended to correct these clerical errors that 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 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, description of investment C10-i05, 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 description of reform C19-r41; milestone 19.31, milestone 19.32 and milestone 19.33 of reform C19-r42: New evaluation system to empower and rejuvenate the public administration workforce, and description of reform C19-r42, under component 19. Those corrections do not affect the implementation of the measures concerned.

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 investments projects included in this 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 Council⁵ (the principle of 'do no significant harm').
- (20) Portugal submitted an assessment of the principle of 'do no significant harm' for each of the new investments (C01-i12 Modernisation and requalification of the Regional Health Service; C09-i05: Alqueva Photovoltaic Park; C12-i02: Recycling and recovery of waste). The information provided shows that the plan 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'.

Contribution to the REPowerEU objectives

⁵ 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).

- (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.
- (22) The modification of the plan does not materially impact its ambition towards the REPowerEU objectives. In spite of the removal of investment C21-i15-RAA: Acquisition of two electric ferries, 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 modified RRP maintains its significant contribution to the decarbonisation of industry, including transport, and to the production and uptake of renewable energy. The modified RRP includes an increment in the ambition of investment C21-i12: Scaled-up measure: Decarbonisation of Public Transport, of investment C21-i11-RAM: System of incentives for the production and storage of energy from renewable sources in Madeira and Porto Santo; of the reform C21-r48: Simplification of the legal and regulatory framework applicable to renewable energy projects.

Contribution to the green transition including biodiversity

- (23) 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.
- (24) The modification of the plan does not materially impact its ambition towards the green transition. In spite of a 2.07% decrease in particular due 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 modified 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

- (25) In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (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 modification of the plan reinforces its ambition towards the digital transition. In particular, the increase in the digital contribution of investment C05-i06 Capitalisation of companies and financial resilience, and the increase in ambition of investments

C15-i06 Digitisation of Rail Transport and 05-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 ST 10149/21 INIT, ST 10149/21 ADD 1 REV 1) of 13 July 2021 on the approval of the assessment of the RRP for Portugal 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).

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

- (28) In accordance with Article 4(4) of the Regulation (EU) 2024/795, Portugal considered as a matter of priority projects that have been awarded a Sovereignty Seal pursuant to Article 4(1) of the Regulation (EU) 2024/795. However, Portugal considered that no project having been awarded a Sovereignty Seal was to be included in the amended RRP because part of these projects have already secured funding from European 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 revised RRP.

Positive assessment

- (29) 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.

Financial contribution

- (30) The estimated total costs of Portugal's amended RRP is EUR 22 215 870 313. As the amount of the estimated total costs 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 Council⁶, Article 20(4) and 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) Council Implementing Decision ST 10149/21 INIT, ST 10149/21 ADD 1 REV 1 of 13 July 2021 on the approval of the assessment of the RRP for Portugal should therefore

⁶ 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).

be amended accordingly. For the sake of clarity, the Annex to that Council Implementing Decision should be replaced entirely,

HAS ADOPTED THIS DECISION:

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 modified 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 in the Annex to this Decision:

Article 2

Addressee

This Decision is addressed to the Portuguese Republic.

Done at Brussels,

For the Council

The President