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1. Introduction

The National Medium-Term Fiscal-Structural Plans are the cornerstones of the new European Union's fiscal framework.

On 21 December 2023, the Council agreed on the proposal for reforming the European Union's (EU) economic governance framework. A provisional political agreement on the reform proposal was reached by the Council and the European Parliament on 10 February 2024 and the respective Regulations entered into force by 30 April 2024, following the European Commission proposal of April 2023 based on a Communication of February 2020 from the same institution.

The cornerstone of the revised economic governance framework is the national medium-term fiscal-structural (MTFS) Plans. These plans, prepared by Member States, have a duration of four or five years, if they do not involve an extension, according to the duration of the legislative cycle of each country, and aim at achieving a sustained and gradual reduction in public debt, while guaranteeing sustainable and inclusive growth.

For Member States with a level of public debt exceeding 60% of GDP and/or a deficit surpassing 3% of GDP, the Commission proposes a reference trajectory, on the basis of the Commission's Debt Sustainability Analysis (DSA), while incorporating a debt sustainability safeguard and a deficit resilience safeguard. This reference trajectory is defined in terms of net expenditure and is communicated to Member States for the preparation of their MTFS Plans.

Member States may request a three-year extension of the adjustment period, provided they implement specific additional reforms and investments. Additionally, a control account has been established to monitor any annual and cumulative deviations, upwards or downwards, of the actual net expenditure compared to

the net expenditure path.

The presentation of the MTFS Plans by the Member States is preceded by technical dialogues with the European Commission aiming at ensuring uniformity of compliance with the requirements established in the new EU economic governance framework.

The excessive deficit procedure (EDP) for government deficit breaches of the 3% of GDP reference value remains unchanged, while the excessive deficit procedure for public debt breaches of the 60% of GDP reference value is strengthened in terms of activation. The latter will be focused on departures from the net expenditure path by Member States with public debt above 60% of GDP. In this context, and in case certain conditions are verified, the Commission must prepare a report under Article 126(3) TFEU to assess whether a debt-based EDP should be opened.

The revised EU economic governance framework also includes escape clauses, notably a general escape clause applicable in the event of a severe economic recession in the euro area or the Union as a whole, and a national escape clause, in case of exceptional circumstances arising from unforeseen external events outside of their control significantly impacting a Member State's public finances.

The preparation of this first national MTFS Plan has taken place in a challenging context, in view of the new EU legal framework and requirements, limiting opportunities for external interaction and consultations.

The present MTFS Plan is being submitted to the Council and to the European Commission under the above-mentioned new economic governance framework. The preparation of these MTFS plans has occurred in a context that is especially challenging, for both the Member States, and the Commission, considering the novelty of the rules and framework which has only recently entered into force as well as the comprehensive, complex and demanding exercise involved in the preparation of such plans.

The technical dialogue with the European Commission has been instrumental in the preparation of this national MTFS Plan, considering the novelty of this procedure. The Portuguese Government wishes to thank the European Commission services for their availability and feedback during the technical interactions.

The involved challenges in conjunction with the short deadlines for the submission of these first national MTFS plans are recognised in Regulation (EU) 2024/1263 of the European Parliament and the Council, of 29 April 2024, on the effective coordination of economic policies and on multilateral budgetary surveillance and repealing Council Regulation (EC) No 1466/97 ("Regulation (EU) 2024/1263"), namely in what concerns external consultations and other institutional interactions.

Along with the submission to the Council and to the European Commission, this national MTFS Plan will simultaneously be submitted to the Parliament ("*Assembleia da República*").

The opinion of the independent fiscal institution ("*Conselho das Finanças Públicas*") has been sought on the macroeconomic forecast for 2025-2028. Its opinion is included in the Annex of this MTFS Plan.

The preparation of this MTFS Plan counted on the involvement of all government areas for the selection of the reforms and investments contained in the document, taking into account the proposed Major Options ("*Grandes Opções*") Law and the six strategic challenges in which they are structured. The drafting process benefited from the consultation process of the Major Options Law Proposal 2024-2028, a framing element of this Plan in its structural dimension, which was submitted to the Parliament, which has exclusive

competence for its evaluation and approval, and to the Economic and Social Council (CES) for the issuance of its opinion, that was approved on October 3, 2024 ([link](#)).

This MTFS Plan is aligned with the macroeconomic strategy and fiscal policy outlined in the Government Program, aimed at boosting productivity and competitiveness while ensuring sustainable public finances.

The fiscal measures underlying the Plan intend to boost the country's attractiveness in high value-added areas in order to strengthen its economic growth trajectory. Within the timeframe of the current legislature – which coincides with the period of the Plan (2025-2028) – the Portuguese Government clearly intends to accelerate the process of convergence with the EU. To this end, the macroeconomic strategy and fiscal policy underlying this Plan seek to boost the path of productivity and competitiveness gains, strengthen economic growth, and maintain a budget balance.

The cycle of strengthening the foundations of the Portuguese economy is critical to consistently create improvements in an inclusive and socially fair manner, setting a strategy for retaining and attracting human capital, strengthening entrepreneurial and innovative capacity, and attracting investment and business growth.

The new EU economic governance framework will have decisive consequences for the definition of policies at national level. Given the need to ensure effective integration and coordination of policies at the most diverse levels, it is necessary to maximize the economic and social impact of public funds, whether European or national. As such, the Recovery and Resilience Plan (RRP) will continue with an increased speed of implementation.

The MTFS Plan outlines the delivery of reforms and investments which are anchored on the strategic pillars of the Portuguese National Strategy, responding to the main challenges identified in the European Semester, particularly the country-specific recommendations.

The national MTFS Plan also comprises information on the delivery of reforms and investments, in Chapter 4, which, while recognising the common priorities of the Union, are anchored on the six strategic pillars of the Portuguese National Strategy (“*Grandes Opções*” or “GO”), reflecting the country's aspirations:

- A fairer and more supportive country.
- A more prosperous, more innovative and competitive country.
- A country with a more efficient state.
- A more democratic, open and transparent country.
- A greener and more sustainable country.
- A more global and humanist country.

Such structural policy chapter has been produced according to the European Commission's guidelines, aiming to provide an overview of the strategic actions to be implemented during the period of the national MTFS Plan, as indicated in Article 13 of Regulation (EU) 2024/1263. Its primary goal is to analyse how reforms and

investments outlined in the national strategic pillars address the Country-Specific Recommendations (CSR) directed at Portugal and contribute to advancing the Common Priorities of the EU.

Finally, another key element of this chapter is the identification of public investment needs related to the Union's common priorities. Information is also included on the links between the reforms and investments listed and the national Recovery and Resilience Facility (RRF) and Partnership Agreement (PA).

2. Macro-fiscal scenario

2.1. Medium-term macroeconomic prospects

Following a deceleration in 2024, the Portuguese economy will regain momentum in 2025.

In 2024, real GDP is projected to grow 1.8%, 0.7 p.p. less than in the previous year, against a backdrop of still restrictive monetary policy and slow growth in key trade partners as well as the phasing-out of the rebound from the pandemic (Table 2.1). The deceleration is underpinned by a deterioration in net external demand, with imports' growth expected to surpass that of exports. In turn, the contribution of domestic demand for GDP growth will increase in 2024, due to an acceleration in government consumption.

Table 2.1. Macroeconomic outlook for 2025-2028

	INE	DBP 2025	Medium-Term Fiscal-Structural Plan			
	2023	2024 ^(e)	2025 ^(p)	2026 ^(p)	2027 ^(p)	2028 ^(p)
GDP and demand components (real growth rate, %)						
GDP	2.5	1.8	2.1	2.2	1.7	1.8
Private consumption	2.0	1.8	2.0	1.9	1.8	1.8
Government consumption	0.6	2.6	1.2	0.9	0.3	0.5
Investment (GFCF)	3.6	3.2	3.5	3.7	1.8	2.7
Exports of goods and services	3.5	2.5	3.5	3.4	3.3	2.8
Imports of goods and services	1.7	2.9	3.5	3.4	3.2	2.9
Contributions to GDP growth (p.p.)						
Domestic demand	1.7	2.0	2.1	2.1	1.6	1.8
Net external demand	0.8	-0.2	0.0	0.0	0.1	0.0
Price evolution (rate of change, %)						
GDP deflator	6.9	3.1	2.6	2.0	2.0	2.0
Inflation rate (HICP)	5.3	2.6	2.3	2.0	2.0	2.0
Labour market evolution (rate of change, %)						
Employment (National Accounts)	1.0	1.1	0.7	0.5	0.4	0.3
Unemployment rate (% of labour force)	6.5	6.6	6.5	6.4	6.4	6.3
Apparent labour productivity	1.5	0.7	1.4	1.7	1.3	1.4
Wages per worker	8.0	6.0	4.7	4.2	3.3	3.4
Current and capital account balance (% of GDP)						
Net lending/borrowing	1.6	3.3	3.6	3.9	2.9	3.0
Current account balance	0.2	0.9	0.7	1.0	1.0	1.2
of which: balance of goods and services account	0.9	1.1	1.3	1.3	1.4	1.4
Capital account balance	1.4	2.5	2.8	2.9	1.9	1.8
Potential output (%)						
Potential GDP growth	2.4	2.4	2.1	2.0	1.7	1.6
Output gap	1.1	0.6	0.6	0.8	0.8	0.9

Note: (e) estimate; (p) projection.

Sources: INE - National Accounts; Ministry of Finance.

In 2025, the Portuguese economy will pick up speed, reflecting the impact of fiscal measures and the acceleration in the execution of RRP projects, coupled with more favourable external developments and a gradual easing of financial and monetary conditions.

The recovery of external demand for Portuguese goods and services (from -0.5% in 2023, to 0.9% in 2024 and 2.3% in 2025-2028, on average) is underpinned by the projected recovery in the euro area's economic activity and an acceleration of global trade. Albeit at a slower pace in advanced economies, global disinflation shall proceed against a backdrop of a sustained decline in commodity prices (Table 2.2). According to futures contracts, short-term interest rates will also decline over the projection horizon, with the 3-month EURIBOR set to drop from 3.4% in 2023 to 2.5% in 2028.

Table 2.2. External assumptions

	2022	2023	2024 ^(e)	2025 ^(p)	2026 ^(p)	2027 ^(p)	2028 ^(p)
World GDP (yoy)	3.5	3.3	3.2	3.3	3.2	3.1	3.1
Growth of directed external demand (yoy)	8.5	-0.5	0.9	2.4	2.3	2.3	2.3
Euro area HICP (yoy)	8.4	5.4	2.7	2.2	1.9	2.0	2.0
Brent oil price (USD/bbl)	96.4	80.6	81.3	75.5	72.9	70.4	68.0
Short-term interest rate (3-month Euribor, annual average, %)	0.3	3.4	3.6	2.4	2.4	2.5	2.5
Long-term interest rate (annual average, %)	2.2	3.2	2.8	3.0	3.1	3.3	3.4
EUR/USD exchange rate (annual average, %)	1.1	1.1	1.1	1.1	1.1	1.1	1.1

Note: (e) estimate; (p) projection.

Sources: International Monetary Fund (IMF), ECB (European Central Bank) and Portuguese Treasury and Debt Management Agency (IGCP). Interest rate assumptions for 2024 and 2025 rely on market-based data (extracted in September 2024), whereas for 2026-2028 they reflect the linear convergence to the long-run targets assumed in the context of the European Commission DSA framework (as detailed in Chapter 3).

In 2025-2028, the Portuguese economy is projected to grow by at least 1.9%, on average.

In 2025, economic activity is set to receive a boost from the introduction of expansionary policy measures with a direct effect on households' income¹. The lagged effects of these measures and the envisaged reduction in corporate income taxation shall further propel economic growth in 2026. Additionally, the acceleration in the execution of the projects financed by the RRF will drive higher investment growth in both 2025 and 2026.

In 2027 and 2028, real GDP growth is expected to moderate as the RRF stimuli wane². This impact will be partly cushioned by the envisioned measures to bring down the tax burden on firms and households, coupled with an acceleration in nationally-financed investment and investment financed by other EU instruments.

Private consumption is set to grow by 1.8% in 2024 and to further accelerate in 2025, reflecting gains in disposable income. After an acceleration to 4.4% in 2024, real disposable income will continue to grow in 2025 (3.5%). This evolution is largely driven by policy measures that increase wages and social transfers and cut direct taxation. Notwithstanding the envisaged PIT cut in 2027 and 2028, disposable income is projected to decelerate in 2026-2028 reflecting a moderation in wage growth.

Households' savings will increase both in 2024 and 2025 and will remain at a relatively high level throughout the projection horizon, subduing the transmission between disposable income and consumption. Nonetheless, against a backdrop of lower inflation and declining financing costs, private consumption is bound to increase by close to 2%, on average, in 2025-2028, also reflecting the gradual decline of the tax burden on households.

After an acceleration to 2.6% in 2024 attributable not only to the execution of RRP projects, but also to emergency programmes aimed at bringing public services closer to the current needs of citizens (especially as regards the health sector, the young and mobility), government consumption is bound to grow 0.8%, on

¹ In the 2025-2028 horizon, the macroeconomic scenario reflects the fiscal policy impact as derived from the macroeconomic model of the Portuguese Ministry of Finance. The implicit fiscal multiplier stands at 0.4, on average, in 2025-2028. This figure is lower than the 0.75 multiplier horizontally adopted by the European Commission for all Member States, but, importantly, it is in line with empirical evidence of lower multipliers for high-debt countries and, in particular, for Portugal (refer to, for instance (i) Nickel, Christiane and Anderas Tudyka. (2013), "Fiscal stimulus in times of high debt: Reconsidering multipliers and twin deficits", ECB Working Paper Series, No 1513; or (ii) Braz, Cláudia and Maria M. Campos. (2021), "Challenges in measuring fiscal effects", Banco de Portugal Working Paper 2021-08). It should be further mentioned that the change in the structural primary balance does not provide an appropriate proxy for the fiscal stance in 2025-2028 insofar it does not account for the stimuli stemming from the execution of projects financed by EU grants. However, for the purpose of the DSA as presented in Chapter 3, the standard 0.75 multiplier and the change in the structural primary balance are applied throughout all simulations to capture the macroeconomic effects of fiscal policy.

² This scenario does not consider the implementation of structural reforms and investments in addition to those included in the RRP.

average, in 2025-2028. This evolution is underpinned by moderate growth in public employment over the horizon as well as the termination of some PPP concession contracts scheduled already for 2025.

Investment growth is projected to stand at 3.2% in 2024, accelerating to 3.5% and 3.7% in 2025 and 2026, respectively. This evolution reflects the execution of public and private investment projects funded by the RRF, as well as the ongoing normalization in financing costs. As the new multiannual financial cycle matures, the expected acceleration in the absorption of other EU funds, coupled with the reduction in the corporate income tax, will help sustain investment growth beyond the RRP horizon, albeit at a slower pace.

Exports shall remain a key driver of the Portuguese economy.

In 2024, total exports are projected to decelerate from 3.5% to 2.5%. This is essentially driven by lower growth in exports of services, and, particularly, a more moderate performance in tourism, reflecting the dissipation of the effects of the post-pandemic recovery. In 2025 and beyond, exports will evolve broadly in line with external demand for goods and services. Imports growth will accelerate in 2024 (to 2.9%, after 1.7% in 2023) and further to 3.2%, on average, in 2025-2028. This acceleration is underpinned by higher import demand stemming from private consumption and investment developments. Over the projection horizon, the contribution of net external demand to GDP growth is marginally positive.

The Portuguese economy will maintain its net lending position, with current and capital account balances at historical heights. The current and capital account surplus is projected to reach 3.3% of GDP in 2024, winding down to 3% in 2028. The decline is driven by a smaller surplus in the capital component that reflects the phasing-out of RRF transfers after 2026. The trade balance is expected to improve from 2024 onwards, owing to an increase in the goods component.

Labour market developments will continue to contribute to the resilience of the Portuguese economy.

Employment growth is projected to stand at 0.5% in 2025-2028 (1.1% in 2024, after 1% in the previous year). Labour supply shall continue to increase, benefitting from positive net migration flows and a sustained rise in the activity rate. The growth of the labour force will determine a small increase in the unemployment rate to 6.6% in 2024 (from 6.5% in 2023), followed by a gradual decline over the projection horizon. By 2028, the unemployment rate is projected to stand at 6.3%, close to estimates for the natural rate of unemployment. The average wage will increase 6.0% in 2024 and 3.9% in the 2025-2028 period, reflecting a gradual nominal deceleration in line with the anticipated inflation developments.

As measured by the Harmonised Index of Consumer Prices (HICP), the inflation rate is projected to stand at 2.6% in 2024 as a whole. Throughout the year, inflation has been and will remain upwardly affected by temporary effects on food and energy prices. These reflect, in particular, the unwinding of the zero-VAT measure on selected food products (in force between April and December 2023), the increase in electricity prices in January 2024, and base effects. As these factors dissipate, inflation is likely to steadily decline towards the 2% ECB price stability target in 2026.

Despite elevated uncertainty, the medium-term projection for the Portuguese economy is prudent and the balance of risks is tilted to the upside.

The prevailing geopolitical tensions and moderate growth in important trading markets entail downward risks. However, these are offset by upside risks stemming from the implementation of structural reforms and investments in addition to those included in the RRP, which will further boost economic activity over the projection horizon. These initiatives, discussed in Chapter 4, will have a short-term stimulus effect on demand, which, in compliance with Regulation (EU) 2024/1263, is not taken into account in the macroeconomic projection underlying this Plan and summarized in Table 2.1. As such, the figures therein are prudent and represent a lower bound for real GDP growth in 2025-2028.

Reforms and investments will have longer-term effects, fostering potential output growth.

The short-term effects of the implementation of reforms and investments will be sustained by supply-side effects. These reflect the expected increase in the stock of productive factors and their more efficient utilization, which, coupled with favourable migration dynamics, will partially counter the challenges posed by demographic ageing. However, in line with the Regulation (EU) 2024/1263, the expansion in the productive capacity of the economy, driven by both RRP's and other envisaged reforms and investments is not accounted for in the estimation of potential growth. This no-policy-change assumption yields an average potential growth projection for 2025-2028 of 1.8%, which stands below the alternative estimates released by international institutions and the Portuguese Fiscal Council. However, the average potential growth in 2025-2028 underlying the Plan is slightly higher than assumed by the European Commission in the Reference Trajectory (1.6%). The difference reflects the incorporation of most up-to-date population data and the most recent population projections by Eurostat³.

2.2. Fiscal strategy and commitments

Fiscal policy measures for 2025-2028 reflect the goal of gradually reducing households' and firms' tax burden while ensuring sustainable public finances.

The fiscal strategy underlying the Plan relies on a broadly neutral stance throughout the 2025-2028 period. It is based on a balanced compromise between discretionary revenue measures that lower the tax burden on firms and households (Table 2.3) and contained expenditure growth.

³ Potential output growth underlying the Plan is estimated based on the European Union's Commonly Agreed Methodology (EUCAM). The estimation relies on the dataset underlying the European Commission's 2024 Spring Forecast updated with the latest population data (which reflects the latest Census information that, in the case of Portugal, was not taken into account for the Spring Forecast) and considers the most recent EUROPOP population projection. The updated population data and projection were released by Eurostat in September 2024. The estimation considers the macroeconomic projections for 2024 and 2025 presented in Table 2.1, in line with the agreed procedure and methodology. While these updates yield a slightly higher potential growth rate in 2025-2028, the average growth in 2025-2038 (1.1%) remains aligned with that underlying the Reference Trajectory (1.0%).

Table 2.3. Discretionary revenue measures

Discretionary revenue measures (incremental)	2025	
	EUR, million	% GDP
Value Added Tax (VAT)	-110	-0.04
Electricity VAT reduction (i)	-110	-0.04
Tax on Fuel (ISP)	650	0.22
End of exemption for advance biofuels (i)	100	0.03
End of exemption for the extraordinary professional diesel mechanism (i)	25	0.01
Carbon tax unfreezing	525	0.18
Other indirect taxes	-60	-0.02
Exemption of Real Estate Transfer Tax (IMT) and stamp tax for the young (i)	-60	-0.02
Personal Income Tax (PIT)	-1,265	-0.43
PIT for the young (SB 2024) (i)	-250	-0.08
Additional reduction on PIT rates (Parliament) (i)	-450	-0.15
Increase on PIT consignment (i)	-40	-0.01
Extension of the PIT for the young (SB 2025)	-525	-0.18
Corporate Income Tax (CIT)	-108	-0.04
SIFIDE, RFAI, ICE and other tax benefits (i)	-108	-0.04
Elimination of tolls on selected motorways (i)	-180	-0.06
Total impact	-1,073	-0.36

Notes: (i) invariant.

Source: Ministry of Finance.

Specified measures include a PIT cut approved in the Parliament in 2024, a widening of favourable conditions for young citizens also within the scope of PIT, a cut to VAT on electricity, and a widening of tax incentives for firms' capitalization. This is, however, partially compensated by the steady reversion of the freeze of carbon price component of the tax on fuels.

These measures aim to address both the strategic challenges identified by the Portuguese government and the EU common priorities. The PIT for the young intends to address the strategic challenge *"A fairer and more supportive country"*, whilst the widening of tax incentives pursues the challenge of *"A more prosperous, more innovative and competitive country"*.

As for the winding down of emergency energy support measures, these are in clear alignment with the Country-Specific Recommendations for Portugal (CSR 1 2024). Following the energy crisis, Portugal adopted measures to mitigate the increase in energy costs. However, considering the continuous reduction of energy costs and inflation during 2024, this support can be wound down.

For the first years of the Plan, most of the budgetary impact stems from Government measures already implemented, measures approved in Parliament and the carry-over of measures implemented by the previous Government. With a new Government having recently taken office, the new discretionary policy measures reflect the priorities set, in particular as regards the reduction of the tax burden on households and firms. To ensure the sustainability of public finances and the necessary fiscal consolidation, those measures are envisioned in a more significant way only in the outer years of the horizon.

The fiscal margin for adopting such tax-reducing measures throughout the horizon of the Plan – while not

compromising the necessary fiscal adjustment underlying the Plan – comes primarily from two sources: the unwinding of extraordinary expenditure measures in place in 2024 and the end of the RRP implementation towards the end of the Plan’s horizon.

For the first years of the Plan, consolidation is mainly driven by the withdrawal of extraordinary expenditure measures with an impact in 2024 and that are fully non-recurring (with no additional expenditure measures envisioned).

Following Portugal’s sharp decrease in investment and consumption in the public sector in the last years, by 2024 it was necessary to address the most pressing needs regarding public services through emergency programmes in key sectors of the public administration. Amongst these extraordinary expenditure measures it should be highlighted, for their magnitude, the acquisition of military equipment, transfers made to energy companies on account of the reduction in tariffs, and an emergency plan for the health sector.

There are also non-negligible extraordinary expenditure with an impact in 2024 that will not occur in the following years:

- Termination of public-private partnerships (PPP) concession contracts, implying a drop in outlays amounting to EUR 600 million from 2024 to 2028.
- Ukraine's military aid package – EUR 200 million.
- Lump-sum transfer to pensioners – EUR 399 million.
- Termination of the support for the payment of interests due on mortgage loans – EUR 32 million.

Taken together, these factors have an impact amounting to 1.1% of GDP on the 2024 general government accounts. Their phasing-out over 2025-2028 compensates for the revenue-decreasing measures in Table 2.3. Moreover, since pensions and other transfers are linked to lagged inflation dynamics, indexation has a significant impact on 2024 expenditure and, as inflation gradually declines, spending on social payments also subsides.

As for the outer years of the Plan, the end of the RRP implementation will play an important role. Portugal will execute projects financed through RRF loans amounting to around EUR 1 billion in 2025 and 3 billion in 2026. These amounts have a deteriorating impact on the general government balance and, as such, from 2027 onwards, their unwinding generates additional fiscal space.

2.2.1. Projection for public finances in 2025-2028

In the horizon of the Plan, the fiscal strategy relies on a prudent balance between sustainability and continued support for households and firms.

The budget balance is bound to remain in surplus throughout 2025-2028. In 2025 and 2026, it is projected to stand at 0.3% and 0.1% of GDP, respectively (Table 2.4). In these two years, the outturn will be negatively affected by the execution of RRP projects financed through loans from the RRF (that reduce the surplus by

0.4 and 1 p.p. of GDP, respectively, in 2025 and 2026). The impact of discretionary measures approved in 2024 and new measures included in the Draft Budgetary Plan (DBP) will reduce the budget surplus in 2025. However, after the end of the RRP horizon, the balance shall improve in 2027 and 2028 to a level above 1% of GDP.

Table 2.4. Main fiscal indicators
(percentage of GDP)

	2023	2024 ^(e)	2025 ^(p)	2026 ^(p)	2027 ^(p)	2028 ^(p)
Headline balance	1.2	0.4	0.3	0.1	1.1	1.3
Total revenue	43.6	44.8	45.5	44.9	43.0	42.7
ow: Tax revenue	25.1	25.0	24.7	24.7	24.2	23.9
Total expenditure	42.4	44.4	45.2	44.8	41.8	41.3
ow: Interest payments	2.1	2.1	2.2	2.1	2.1	2.0
ow: Nationally-financed public investment	1.8	2.2	2.2	2.4	2.5	2.5
Primary balance	3.3	2.5	2.5	2.1	3.2	3.4
ow: One-off measures	-0.5	-0.1	0.0	0.0	0.0	0.0
ow: Cyclical component of the budget balance	0.6	0.3	0.3	0.4	0.4	0.5
Structural primary balance	3.2	2.3	2.1	1.7	2.8	2.9
Memo:						
Government debt	97.9	95.9	93.3	90.4	87.2	83.2
Structural primary balance excl. expenditure financed by RRF loans	3.2	2.4	2.5	2.6	2.8	2.9

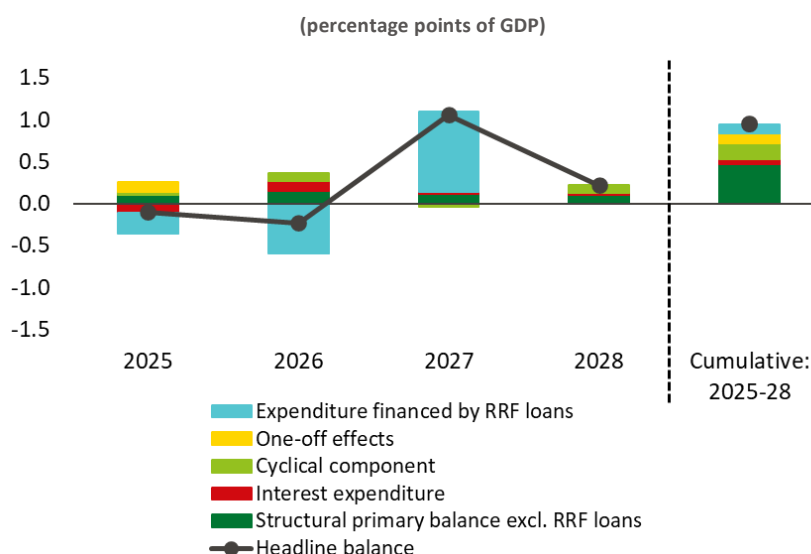
Note: (e) estimate; (p) projection.

Source: Statistics Portugal and Ministry of Finance.

The projected improvement in the budget balance is fundamentally structural and concentrated on the expenditure side.

The balance in the Plan's horizon increases by 0.9 p.p. of GDP. This evolution is largely explained by the adjustment in the structural primary balance, reinforced by a more favourable cyclical contribution (Figure 2.1). The contribution of one-off measures and interest payments is relatively minor. The deterioration of the structural primary balance in the first half of the horizon is attributable to the impact of RRF loan-financed projects. Excluding this effect, the Plan would show fiscal consolidation across all four years, with the structural primary balance increasing slightly above 0.1 p.p. each year.

Figure 2.1. Breakdown of the change in the headline budget balance in 2025-2028



Source: Ministry of Finance.

Notes: The chart represents contributions for the annual (and cumulative) change in the general government balance. In the cases of interest payments and expenditure financed by RRF loans, positive (negative) bars represent expenditure declines (increases) and, hence, contributions for the improvement (deterioration) in the balance.

The 2025-2028 fiscal adjustment is mostly driven by developments on the expenditure side. Primary expenditure is projected to drop by some 3 p.p. of GDP, with approximately half of the reduction stemming from the phasing out of RRP implementation. The remaining decline reflects the gradual subsiding of inflation and the dissipation of effects that have elevated expenditure in 2024.

The contribution of lower inflation is particularly important as regards social transfers and compensation of employees, given the indexation mechanisms in place. Accordingly, expenditure on social transfers shall decline between 2025 and 2028, also reflecting the unwinding of a lump-sum transfer to pensioners scheduled for the last quarter of 2024 that will have an impact just in this year. This effect, coupled with lower inflation, more than compensates for the planned increase in Solidarity Supplement for the Elderly (CSI) as of 2025 and the maintenance of a rent support measure. Regarding compensation of employees, spending is projected to grow broadly in line with nominal GDP, against the backdrop of a relative stabilization of public employment and lower inflation, despite the targeted wage valorisation agreements approved in 2024 to address previous wage and career freezes.

The unwinding of a one-off effect in capital expenditure and the reduction of payments due to the end of some motorway PPP concession contracts scheduled already for 2025 further contribute to bring down the expenditure ratio in the horizon of the Plan.

Government investment is projected to remain approximately constant as a ratio to GDP in 2025-2028. This evolution is underpinned by strong growth during the RRP horizon, followed by a deceleration in 2027-2028. The share of nationally-financed government investment is expected to increase from 2.2% in 2025 to 2.5% in 2028.

Revenue is also projected to decline as a ratio to GDP, partially reflecting the impact of measures and lower EU transfers.

Excluding the phasing-out of RRF grants, the share of total revenue in GDP would still decline by 0.8 p.p. in 2025-2028. Revenue from taxes and social contributions is projected to decline by 0.9 p.p. of GDP, reflecting the implementation of measures to bring down the tax burden. These include measures approved in 2024 by the Parliament (notably a PIT cut and a cut to VAT on electricity), a widening of favourable conditions for young citizens within the scope of PIT, and an increase of tax incentives for firms' capitalisation. From 2026 onwards, household and corporate income taxation will also be lowered. Non-tax revenue is also projected to decline due to the phasing-out of RRF grants and the elimination of tolls in selected motorways (a measure approved in the Parliament in 2024 and with a permanent impact from 2025 onwards).

Executing RRP projects financed through loans temporarily affects the budget balance without compromising fiscal sustainability.

Article 6, point (c), of Regulation (EU) 2024/1263 requires that the fiscal adjustment effort over the period of the national MTFS Plan is linear and proportional to the total effort over the entire adjustment period.

Meanwhile, Article 36(1), point (e), of Regulation (EU) 2024/1263, allows Member States to request an exception to the no-backloading safeguard referred to in Article 6, point (c), in which context *"projects supported by loans from the Recovery and Resilience Facility as well as national co-financing of programmes funded by the Union in 2025 and 2026 shall be taken into account, provided that such exception does not endanger fiscal sustainability over the medium term"*.

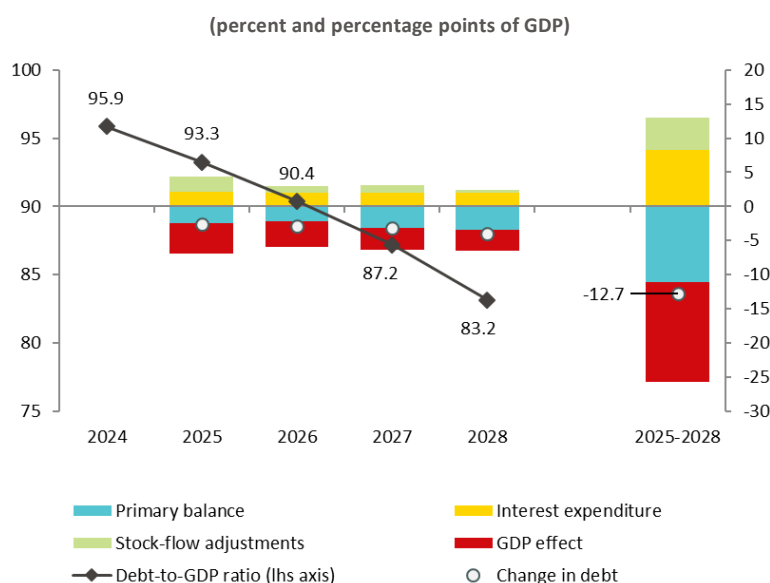
As shown in Figure 2.1, excluding the effect of RRF loans, the national MTFS Plan implies a consistent fiscal consolidation across all four years, with the structural primary balance posting an improvement slightly above 0.1 p.p. in each year. Hence, discounting the impact of RRF loans, the underlying fiscal adjustment effort over the period of the national MTFS Plan is linear and proportional to the total effort over the entire adjustment period, as mentioned in Article 6, point (c), of Regulation (EU) 2024/1263.

Such fiscal path is also consistent with ensuring fiscal sustainability in the medium-term, considering the positive impact of the RRF loans on productivity and growth, and the positive budget balances until 2028 that underly the Plan, with conditions to maintain surpluses in the subsequent years.

The debt-to-GDP ratio is projected to decline by 12.7 p.p. in 2025-2028.

By the end of 2024, the general government debt is projected to stand at 95.9 per cent of GDP. In the 4-year horizon of the Plan, the debt ratio shall maintain a downward trend, falling to 83.2 per cent of GDP in 2028 (Figure 2.2). This 12.7 p.p. decline in 2025-2028 (-3.2 p.p., on average, per year) reflects the contribution by nominal GDP growth (-14.6 p.p.) and the maintenance of primary surpluses (-11.1 p.p.). These contributions are partially offset by interest payments (8.3 p.p. of GDP) and the upward pressure on debt stemming from stock-flow adjustments (4.7 p.p.). Despite the slowdown in nominal GDP growth in 2027 and 2028, it remains higher than the implicit interest rate on debt, resulting in a favourable *"snowball effect"* over the entire horizon.

Figure 2.2. Breakdown of the change in the debt-to-GDP ratio in 2025-2028



Source: Ministry of Finance.

2.2.2. Fiscal commitments for 2025-2028

Medium-term fiscal commitments are anchored on the net expenditure growth path.

On average, net expenditure growth shall remain at or below 3.6% in 2025-2028. This figure coincides with the Reference Trajectory transmitted by the EC to the Portuguese authorities in June 2024. Table 2.5 presents the annual ceilings for net expenditure growth Portugal commits to abide by.

Table 2.5. Fiscal commitments for 2025-2028

(percentage)

	2025	2026	2027	2028	Average: 2025-28
Net expenditure growth ceiling	5.0	5.1	1.2	3.3	3.6
Potential growth	2.1	2.0	1.7	1.6	1.8
GDP deflator	2.6	2.0	2.0	2.0	2.2
Fiscal effort	-0.3	-1.1	2.5	0.2	0.3
Memo:					
Reference Trajectory	4.1	3.6	3.4	3.3	3.6

Sources: Ministry of Finance and European Commission.

Notes: The fiscal effort corresponds to the change in the structural primary balance as a ratio to the share of primary expenditure in GDP in 2024. Positive values imply fiscal consolidation. In 2025-2027, the fiscal effort is affected by the execution of RRP projects financed by RRF loans, implying a deterioration of the structural primary balance in 2025 and 2026 and a sharp improvement in 2027. Correcting for this effect implies a constant and positive fiscal effort over the 2025-2028 horizon.

While the ceiling for net expenditure growth set by Portuguese authorities for 2025-2028 coincides on average with the Reference Trajectory, the path outlined in Table 2.5 features a different annual profile. In 2025, net expenditure growth reflects mainly nationally-financed primary expenditure developments

underlying the DBP and the impact of revenue-reducing measures. In 2026 and 2027, the different profile is essentially attributable to the impact of the execution of RRP projects financed by RRF loans. The annual net expenditure growth profile corrected for this impact is aligned with that in the Reference Trajectory. Excluding the execution of RRP loan-financed projects, the annual net expenditure growth declines consistently over the Plan's horizon (in a magnitude akin to the Reference Trajectory).

3. Debt sustainability analysis

The new EU economic governance framework is anchored on a close link between Member States' medium-term fiscal commitments and public debt sustainability challenges.

For countries with debt or deficit ratios, respectively above the 60% or 3% reference thresholds, the fiscal path outlined in the medium-term fiscal-structural plans must be such that, in the absence of additional adjustment after the end of the Plan's horizon, the following criteria are met:

1. the debt-to-GDP ratio remains at prudent levels or on a plausibly downward path for a period of 10 years after the end of the Plan's horizon.
2. the debt-to-GDP ratio declines by, at least, 1 p.p., per year, while it is higher than 90% and by 0.5 p.p., per year, if it stands between 60 and 90%. This is the so-called "*debt sustainability safeguard*".
3. the general government balance remains above the -3% reference value, with a margin of at least 1.5 p.p., defined in structural terms. This corresponds to the "*deficit resilience safeguard*".
4. the probability of debt declining in the next five years after the end of the Plan's horizon is, at least, 70%.

Compliance with these criteria is assessed based on a slightly adjusted version of the Commission's DSA framework. The framework encompasses both a deterministic and a stochastic component. The first three

criteria rely on the DSA deterministic simulations, whereas the last criterion relies on a stochastic DSA.

The deterministic DSA includes the reference simulation scenario and three alternative adverse shock scenarios, all with a 10-year horizon. The four simulations build on the fiscal path derived from the macro-fiscal projections outlined in the MTFP Plan for 2025-2028. From 2029 to 2038, the evolution of the debt-to-GDP ratio is simulated based on the debt dynamics equation. In particular, the annual change in the ratio depends on (i) the differential between the implicit interest rate on debt and the nominal GDP growth rate; (ii) the primary budget balance; and (iii) the stock-flow adjustments. In all the deterministic simulations, these variables evolve in line with the assumptions outlined in the EU's Debt Sustainability Monitor 2023. Those assumptions can be summarized as follows:

- Real GDP growth is anchored on potential growth estimates. These rely on an extended version of the EUCAM in 2029-2033, gradually converging to the estimates by the Ageing Working Group from then onwards. Taken these estimates as a given, the evolution of real GDP from 2029 onwards is such that the output gap closes in three years and remains closed for the whole horizon (i.e., real GDP growth coincides with potential growth as of 2031). The GDP deflator converges to market-based inflation expectations by 2033, and, beyond that, it converges linearly to the ECB 2% inflation target in 20 years.
- Interest rates on new issuances of short and long-term debt converge linearly to the market-based forward rates by 2033. Afterwards, the short- and long-term interest rates converge to 2% and 4%, respectively, in a 20-year horizon.
- The primary balance corresponds to the sum of the structural primary balance (SPB), the cyclical component of the budget balance and the impact of one-off measures. The SPB is assumed to remain unchanged after 2028 (no-policy-change assumption), except for the fiscal impact of demographic ageing, which corresponds to the estimates produced by the Ageing Working Group⁴. The cyclical component is derived from the applicable semi-elasticity of the budget balance to the output gap (which corresponds to 0.54 in the case of Portugal). Since the output gap gradually declines by 1/3 per year from 2028, the cyclical component is zero after 2031. One-off measures are also assumed to be nil after 2028.
- Stock-flow adjustments are assumed to be nil beyond 2028.

The three adverse scenarios result from specific deterministic shocks applied separately to these variables. In the *"financial stress scenario"*, a temporary 100 b.p. shock is applied to both short and long-term interest rates in 2029⁵. In the *"lower SPB"* scenario, permanent shocks of -0.25 p.p. of GDP are applied to the level of the SPB in 2029 and 2030, implying that, for 2031 onwards, the SPB stands 0.5 p.p. below the level projected for 2028. In the *"adverse r-g"* scenario, the differential between the interest and GDP growth rates is assumed to be permanently higher than in the reference scenario by 1 p.p. from 2029 onwards.

The stochastic analysis relies on the historical volatility of shocks to the drivers of government debt and their empirical correlations. These shocks are defined as the first-differences of the primary balance, interest rates and nominal GDP growth. The analysis is based on 10 thousand random draws of these shocks, which are

⁴ 2024 Ageing Report, Economic and Budgetary Projections for the EU Members States (2022-2070), Institutional Paper 279, 18 April 2024.

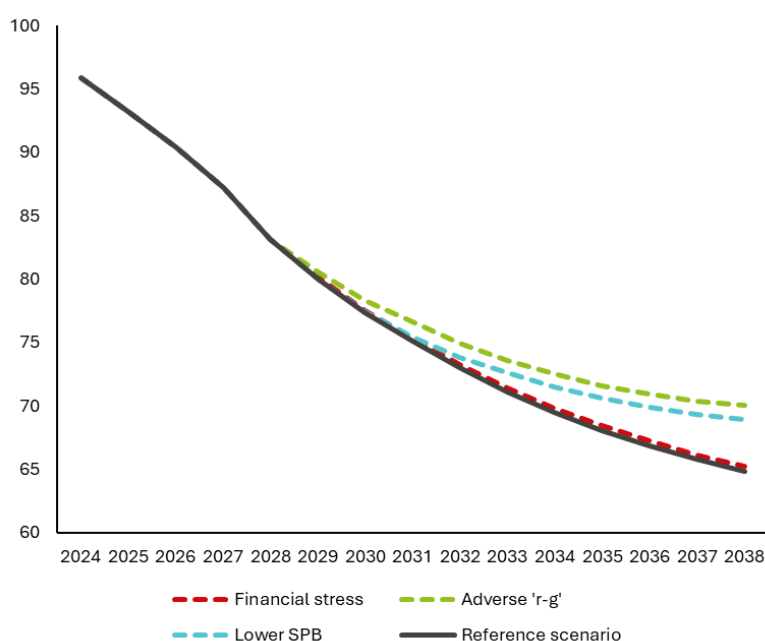
⁵ If in 2029 the debt-to-GDP ratio is above 90%, the adverse shock further incorporates a risk premium.

applied around the deterministic reference scenario over a 5-year horizon (2029-2033). This generates a distribution corresponding to a spectrum of 10 thousand alternative paths for public debt. The width of the distribution can be interpreted as a measure of the uncertainty around the reference path, which shall be larger for countries with higher historical volatility.

The DSA simulations show that the macro-fiscal scenario underlying the Portuguese MTF5 Plan lays the foundations for a sustained debt reduction.

By the end of the Plan's horizon, the debt-to-GDP ratio stands at 83.2% of GDP, whereas the SPB is projected to stand at 2.9% of potential GDP. In the reference scenario, in the absence of additional fiscal policy action, from 2029 onwards the DSA assumptions for debt dynamics entail a monotonic decline in the debt-to-GDP ratio by further 18.3 p.p., to reach 64.8% of GDP in 2038 (Figure 3.1).

Figure 3.1. Evolution of the debt-to-GDP ratio until 2038
(percentage of GDP)



Source: Ministry of Finance based on the Commission's DSA framework.

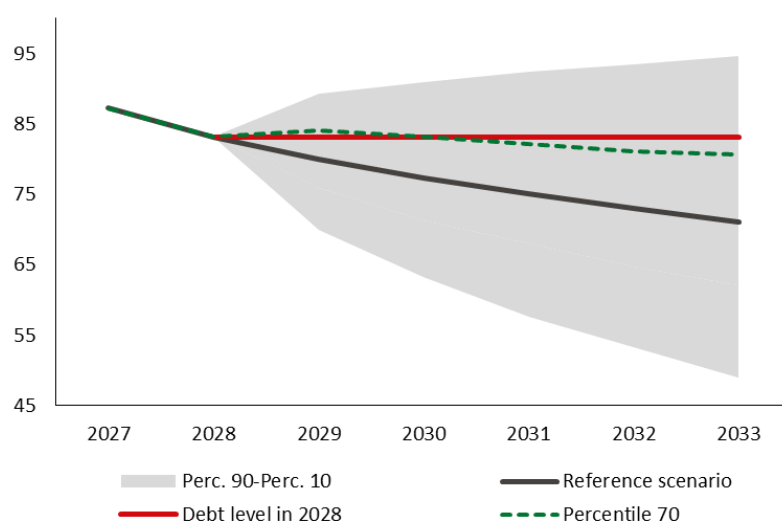
The projected fiscal path complies with DSA criteria and safeguards.

In the reference deterministic scenario, the debt-to-GDP ratio annually declines by 1.8 p.p. of GDP in 2029-2038, on average. This reduction is steeper than required under the “*debt sustainability safeguard*”. The primary balance significantly contributes to this evolution, remaining in surplus throughout the whole 10-year horizon despite the mounting impact of ageing-related costs. In the outer years of the simulation, these costs imply a significant deterioration in headline balance, which, nonetheless, remains above -3%. Furthermore, the structural balance also remains above -1.5% of GDP, thereby complying with the “*deficit resilience safeguard*”. The average contribution to debt dynamics from the differential between interest and growth rates is essentially nil, with low real interest rates on new borrowing compensating for a muted real

GDP growth in 2029-2038.

The downward debt trajectory simulated in the reference deterministic scenario is assessed to be plausible. In particular, debt remains on a downward path in all three alternative scenarios, even if the adverse shocks imply a somewhat slower declining pace. Furthermore, in 74.9% of the stochastically-generated alternative paths for public debt, five years after the planning horizon (i.e., by 2033) the debt-to-GDP ratio is below the level projected for 2028 (Figure 3.2).

Figure 3.2. Stochastic debt simulations: 2029-2033
(percentage of GDP)



Notes: The shaded area corresponds to the range between percentiles 10 and 90 of the distribution of debt paths generated by the stochastic simulations. By 2033, the 70th percentile of the distribution is below the debt level projected for 2028. This implies that the likelihood of debt declining after 2028 is higher than 70%.

Source: Ministry of Finance based on the Commission's DSA framework.

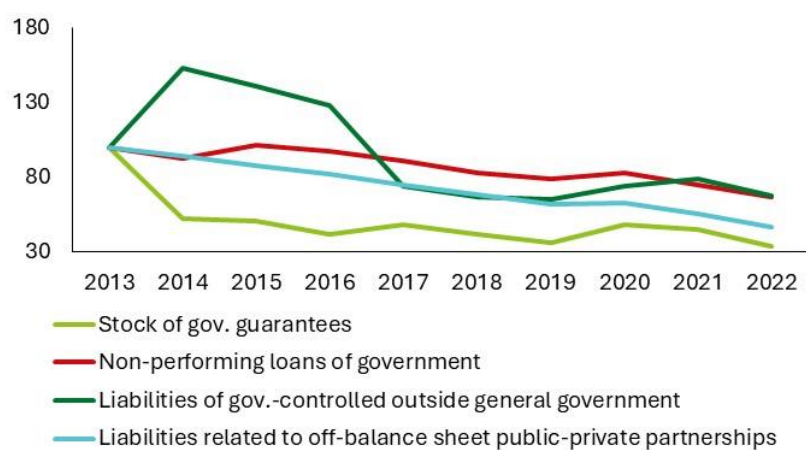
Evidence drawn from the stock of general government contingent liabilities shows receding risks to debt sustainability.

Contingent liabilities correspond to responsibilities of the government that are latent and can materialize under certain specific conditions. In this sense, contingent liabilities are not included in the general government debt and shall be regarded as potential upward risks to its evolution. Eurostat collects data on contingent liabilities covering those implied by: government guarantees; liabilities related to public-private partnerships recorded off-balance sheet; liabilities of government-controlled public corporations classified outside general government; and non-performing loans. The latest available data refers to 2022.

Following a very significant accumulation in the aftermath of the sovereign debt crisis, the stock of contingent liabilities has steadily been declining (Figure 3.3). This trend, although common to all categories of contingent liabilities, is especially significant in the case of government guarantees. These declined by 8.8 p.p. of GDP between 2013 and 2022, partly reflecting the evolution of guarantees granted in the context of interventions to support the financial system. The decrease of the overall stock of contingent liabilities in the last decade implies a significant reduction in fiscal risks stemming from their materialization.

Figure 3.3. Stock of contingent government liabilities

(index: 2013 = 100)



Source: Eurostat.

4. Structural policy

This chapter addresses the main reforms and investments planned for the next four years, organized according to the national strategic challenges on which the Draft Law of Major Options 2024-2028⁶ (“*Grandes Opções 2024-2028*”) is structured⁷.

These reforms and investments are analyzed in the light of the European Commission's guidelines⁸, providing an overview of the strategic actions to be implemented during the lifetime of the MTFS Plan, as stipulated in Article 13 of Regulation (EU) 2024/1263⁹.

Therefore, the main objective is to highlight how some reforms and investments in these national strategic challenges respond to the CSRs addressed to Portugal¹⁰ and, at the same time, contribute to the pursuit of the EU's common priorities¹¹. Another critical element of this chapter is the presentation and discussion of some of the identified public investment needs related to the Union's common priorities. Finally,

⁶ <https://www.parlamento.pt/ActividadeParlamentar/Paginas/DetailIniciativa.aspx?BID=273900>

⁷ The alignments, presented in the tables of this chapter and Annexes I and II, between the national strategic challenges, the shared priorities of the EU, the CSRs, the sources of funding, the Sustainable Development Goals (SDGs), the European Pillar of Social Rights (EPSR), as well as with the RRP, the 2030 Strategy and the PEPAC, cover all the measures included in the six strategic challenges of the GO 2024-2028 and not only the selection of measures presented in this document.

⁸ https://eur-lex.europa.eu/legal-content/PT/ALL/?uri=OJ:C_202403975

⁹ https://eur-lex.europa.eu/legal-content/PT/TXT/?uri=OJ%3AL_202401263

¹⁰ See Annex I.

¹¹ EU Common Priorities: (i) a fair green and digital transition, including the 2050 climate objectives set out in Regulation (EU) 2021/1119; (ii) social and economic resilience, including the European Pillar of Social Rights; (iii) energy security, and (iv) where necessary, defence capacity building.

complementary information will be sought to include the links between reforms and investments within the national strategic challenges, the RRF and the Partnership Agreement (PA)¹².

This Plan is an integral part of the European Semester, one of the most relevant elements within a broader framework of interactions between the Portuguese State and European institutions. Therefore, the reforms and investments it includes will be subject to reporting and monitoring within the Annual Progress Report scope.

The reforms and investments highlighted in this chapter generally promote higher growth and productivity. However, in line with Regulation (EU) 2024/1263 these impacts are not considered when measuring the potential growth of the Portuguese economy, as mentioned above.

4.1. Reforms and investments in view of critical national and European challenges

The reforms and investments discussed in this subchapter directly respond to the European Union's Strategic Guidelines, responding to the CSRs addressed to Portugal and promoting the pursuit of the EU's common priorities. These reforms and investments are structured and anchored in national strategic challenges, namely:

- A fairer and more supportive country.
- A more prosperous, more innovative and competitive country.
- A country with a more efficient state.
- A more democratic, open and transparent country.
- A greener and more sustainable country.
- A more global and humanist country.

These six strategic challenges correspond to the dimensions of intervention that frame the implementation of public policy. In the context of the MTF5 Plan, it is essential to understand how these national challenges relate to the priorities defined at the European level. In this sense, Table 4.1 highlights the alignment between these strategic challenges and the EU's common priorities. As can be seen, the national strategies, and the reforms and investments therein embedded, are strongly aligned with and respond to the EU's common priorities.

¹² The RRF mainly includes the Recovery and Resilience Plan (RRP), and the PA corresponds to Portugal 2030 (PT2030), so references to it should be considered as references to the PA.

Table 4.1. Alignments between these strategic challenges and the EU's common priorities

Strategic challenges	Common EU Priorities			
	Fair green and digital transition	Social and economic resilience	Energy security	Strengthening defence capabilities
A fairer and more supportive country	●●	●●●		
A more prosperous, more innovative and competitive country	●●●	●●●	●	
A country with a more efficient state	●●	●●●		
A more democratic, open and transparent country	●●	●●	●	●
A greener and more sustainable country	●●●	●●●	●●●	
A more global and humanist country		●●●	●●	●●●

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

All national strategic challenges contribute directly and are relevant to the priority of "*Social and economic resilience*", whether through the promotion of social inclusion, economic growth or the efficiency and quality of public services. For the priority "*Fair green and digital transition*", a direct and very relevant contribution is provided by the challenges "*A more prosperous, more innovative and competitive country*" and "*A greener and more sustainable country*". In particular, the contributions respectively stem from innovation, digital transformation and the development of solutions that serve society and open new markets to companies, and from the valorisation of its natural resources, decarbonisation of all sectors of activity, the transition to a circular economy, investing in renewable energies, energy efficiency and sustainable mobility. Regarding the "*Energy Security*" priority, the direct and relevant contribution of the challenge "*A more global and humanist country*" stands out, with measures aimed at increasing energy interconnections between the Iberian Peninsula and the rest of Europe, the installation of submarine cables and the diversification of international partnerships with other countries. Also noteworthy is the direct and relevant contribution of the challenge "*A greener and more sustainable country*" by investing in renewable energies, energy efficiency and sustainable mobility. Finally, the priority "*Strengthening defence capabilities*" benefits from a direct and very relevant contribution from the challenge "*A more global and humanist country*" through measures focused on increasing investment in the Armed Forces (such as the recruitment and retention of military personnel and strengthening cyber defence capabilities) and on enhancing international cooperation in multilateralism and collective security.

Another essential element is the contribution of the various national and European funding sources to each of the strategic challenges mentioned. As Table 4.2 shows, there is a strong complementarity between the different funding sources and national strategic challenges¹³.

¹³ The figures in the table cover all measures included in the six strategic challenges of the GO 2024-2028 and not just the selection of measures presented in this document.

Table 4.2. Financing of public policy measures and sources of funding for the MTFS Plan

Strategic Challenges	Funding Instruments (EUR, million)				Total
	National ⁽¹⁾	RRP	PT2030 (Cohesion Policy Funds)	Other European Funding ⁽²⁾	
A fairer and more supportive country	688	1,828	3,186	0	5,703
A more prosperous, more innovative and competitive country	1,203	6,651	7,821	0	15,674
A country with a more efficient state	84	1,870	470	0	2,424
A more democratic, open and transparent country	0	333	0	0	333
A greener and more sustainable country	12,308	7,489	6,857	6,699	33,353
A more global and humanist country	0	406	40	0	446
Total	14,283	18,577	18,375	6,699	57,934

Notes: (1) Includes National Contribution of European Funds and the Environmental Fund amounts; (2) Includes CAP Strategic Plan, CEF and EMFAF amounts.

Several elements complementing and deepening the information presented in this Chapter are presented in Annexes I and II. These offer a more detailed contextualization of the reforms and investments herein discussed. The Annexes I and II include the discussion of the impacts of some of the reforms and investments included in the MTFS Plan, a table of indicators for each challenge and tables aligning strategic challenges with CSRs addressed to Portugal, with the Sustainable Development Goals (SDGs), the European Pillar of Social Rights (EPSR), as well as with the RRP, the PT2030 Strategy and PEPAC.

Finally, it is also essential to mention the Megatrends contemplated and analysed in the GO 2024-2028, which give a long-term contextualisation to public policies, in particular: "*Worsening of climate change*"; "*Increasing pressure on natural resources*"; "*Diversification and change of economic models*"; "*Divergent demographic evolutions*"; "*A more urban world*"; "*A more digital world*"; "*Acceleration of technological development*"; "*A multipolar world*"; and "*New challenges to democracy*". These elements provide a more comprehensive and integrated view of the proposed measures, allowing a clearer understanding of their relevance and impact in the national and European contexts.

4.1.1. A fairer and more supportive country

The strategic challenge of making Portugal "*A fairer and more supportive country*" reflects the vision and priorities of public policy that combat economic, social and territorial inequalities. This includes policies aiming at creating opportunities to increase the birth rate, projecting a future for children and young people by retaining them in the country, valuing work, promoting equality, encouraging the practice of sport and regular physical activity, protecting people, in particular children, the most vulnerable and the elderly, improving access to quality public services, including a fairer, more straightforward and more predictable social security system.

Annex I presents the critical context indicators, and the expected impact of the primary measures of this challenge is also discussed in light of the existing literature (Annex II). In 2022, the drop in the birth rate and the increase in permanent emigrants stood out, with the remaining indicators showing a positive evolution.

Table 4.3 summarises the measures, their alignment with RRF and PA funding, and how they relate to the

CSRs addressed to Portugal and the EU's common priorities.

Table 4.3. Reforms and investments framework (policy measures) - A fairer and more supportive country

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Increase the national minimum wage to EUR 1,020 in 2028.	-	CSR A CSR C	CSR 2020 2.1 CSR 2020 2.2 CSR 2019 2.1	Social and economic resilience
Define a national strategic plan for birth and longevity.	RRF PA	CSR A CSR C	CSR 2020 1.2 CSR 2020 1.3	Social and economic resilience
Ensure universal and free access to crèches and pre-school, mobilizing the public, social and private sectors.	-	CSR A	CSR 2020 2.2 CSR 2019 2.4	Social and economic resilience
Adoption of PIT for the young.	-	CSR A	CSR 2020 2.2 CSR 2019 2.4	Social and economic resilience
PEPAC-MNE Internship Program (2025/2026).	-	CSR C	CSR 2019 2.2	Social and economic resilience
Increase the number of scholarships awarded under the Mário Soares Scholarship Program for postgraduate courses at the College of Europe, thus promoting equal opportunities in the access of Portuguese students.	-	CSR C	CSR 2019 2.2	Social and economic resilience
Adapt and strengthen scholarship programs and financial support to the actual socioeconomic situation of higher education students.	PA	CSR C	CSR 2019 2.3	Social and economic resilience
Design specific <i>upskilling</i> and <i>reskilling</i> programs according to the identified market needs, including the possibility of a career change.	RRF PA	CSR C	CSR 2020 2.3 CSR 2019 2.1 CSR 2019 2.2	Fair green and digital transition Social and economic resilience
Develop a Strategic Plan for physical activity and sport, with a new model for coordinating well-being/health policies.	-	CSR A	CSR 2020 1.2	Social and economic resilience
Create the taxpayer-beneficiary current account as an instrument that will allow citizens to have reliable information on the history of their contributions to public Social Security schemes.	RRF	CSR A	CSR 2024 1 CSR 2023 1.6 CSR 2022 1.4	Social and economic resilience
National Support Network for Victims of Domestic Violence ensures the financing of care structures.	-	CSR A	CSR 2020 2.2 CSR 2019 2.4	Social and economic resilience

Portugal will increase the national minimum wage to EUR 1,020 in 2028, while in 2024 it is set at EUR 820 monthly. This measure, aligned with the Adequate Minimum Wages Directive in the EU, aims to improve income and working conditions, reduce wage and opportunity inequalities, encourage work, foster upward social convergence and sustain domestic demand. It is related to several planning instruments (PI) referred to in the GO 2024-2028, including the National Strategy to Combat Poverty (ENCP) 2021-2030, contributing directly to some of its goals, namely to halve (230 thousand workers) the monetary poverty rate of workers. The measure responds to CSRs A and C and contributes to the shared priority of "*Social and economic resilience*".

Defining a National Strategic Plan for Birth and Longevity is a social and political necessity in the face of the country's demographic challenge. This strategic Plan will be based on guidelines, namely policies to promote active ageing, policies to promote dignified ageing, and family support policies, focusing on protecting children and other dependents. In this context, in addition to the measures to support families with children and young people – such as some mentioned below – we highlight, for example, measures such as the adoption of the Statute for the Elderly, the revision of the Informal Caregiver Statute, the introduction of

partial retirement mechanisms that facilitate the transition between active life and that of a pensioner, new models and social responses that support the permanence of older people in their homes, in the communities, with levels of assistance according to needs, delaying or avoiding institutionalisation, as well as the reinforcement of social support for the most vulnerable so that they can live with dignity, namely the gradual increase in the value of the Solidarity Supplement for the Elderly. In this way, the recommended measure is related to the People 2030 Programme, within the framework of the PT 2030, and to the RRP. It responds to CSR (summary) A, mainly CSR 2020 1.3, and contributes to the shared priority "*Social and economic resilience*".

The guarantee of universal and free access to childcare and preschool, mobilising the public, social and private sectors, aims to expand education at all levels, at no cost to families with children, guaranteeing them development opportunities and decent living conditions. It also promotes the birth rate, improves demographic prospects, fights child poverty, promotes integration and equal access to education, guarantees families a better balance between work and family life, and supports family incomes. Thus, the measure is related to the future National Strategic Plan for Birth and Longevity. It responds to CSR (summary) A and contributes to the shared priority of "*Social and economic resilience*".

As mentioned in Chapter 2 (see Table 2.3, on the fiscal impacts), the change in the PIT for the young aims to alleviate the tax burden on labour and boost productivity. Applicable to employees and self-employed workers, this measure seeks to increase the net income of young people, encouraging qualified young citizens to stay in Portugal. By protecting incomes, the initiative responds to CSR A and contributes to the EU's Common Priority of "*Social and Economic Resilience*".

In an increasingly global and demanding labour market, it is also intended to promote the access of young Portuguese people to internship programmes in the Portuguese consular network and to increase the number of scholarships awarded for the attendance of postgraduate courses at the College of Europe, to provide, in equal opportunities, relevant knowledge of the economic reality, political, commercial, cultural and consular abroad, and access to training in European affairs.

Adapting and strengthening scholarship programs and financial support to the actual socioeconomic situation of higher education students is defined as a structural measure whose objective is to ensure equitable access to and success at this level of education. To this end, the regulation for awarding scholarships will be revised, with effect from 2025-2026, with the reinforcement of social action in 2024-2025 so that no student has to drop out of higher education due to a lack of financial resources and the GO 2024-2028 goal of "more than 50% of adults between 25-34 years old obtain a higher education diploma" is achieved. The measure, which has AP and RRF funding, responds to CSR C and contributes to the shared priority of "*Social and economic resilience*".

The measure of designing specific upskilling and reskilling programs according to the identified market needs, including the possibility of career change, in the planning phase contributes to the objectives of preparing workers for professions in the digital age, making up for the existing gap in the qualifications of the active population and requalifying the national workforce for technological transformation. Within the scope of the RRF, the relationship with the reforms Digital Transition of the Business Environment (RE-C16-r31), Education and Training (RE-C06-r14), REPowerEU (RP-C21-r45), and, within the framework of the PA, with lifelong learning. By directing knowledge on digital technologies, matching the population's skills to needs and blurring labour market segmentation, the measure responds to CSR C. It contributes to the EU's common priorities "*Fair green and digital transition*" and "*Social and economic resilience*".

Develop a Strategic Plan for physical activity and sport, with a new model for coordinating well-being/health

policies as an IP that, among the other objectives, aims to improve the quality of life of citizens through social, educational, economic and health benefits (combating overweight in the population and childhood obesity in particular), that sport can enhance. Its implementation aims to bring direct investment in sports and sports practice indicators closer to the average of EU countries. In addition to other PIs, it will contribute to the targets of reducing physical inactivity in the population aged 15 and over (48.1% in 2019) by at least 10% by 2030 and the premature mortality rate (under 75 years). It is also planned to update the Basic Law on Physical Activity and Sport, review other structuring legislation in this area and activate the Intersectoral Commission for the Promotion of Physical Activity to elaborate, operationalise and monitor a National Action Plan for Physical Activity. This reform measure will strengthen the health system's resilience, respond directly to CSR A and contribute to the shared priority of "*Social and economic resilience*".

Creating a taxpayer-beneficiary current account, as an instrument that will allow citizens to have reliable information on the history of their contributions to public Social Security schemes, aims to make Social Security more efficient, simple, transparent and predictable for citizens, allowing the relationship between contributions made and benefits obtained to be monitored. This measure, which has already been initiated, is related to the Social Security Digital Transition Plan under the RRF (TD-C17-i03), contributes to the shared priority "*Social and economic resilience*" and responds to CSR (summary) A, with emphasis on its contribution to CSR 2023 1.6 and CSR 2022 1.4. Regarding sustainability, the "Green Book for the sustainability of the social security system", prepared by the Commission for the Sustainability of Social Security, appointed in 2022, is expected to be made available to social partners. The measures of the Green Book will be subjected to a public discussion and evaluation by the government.

In addition, it is intended to prevent and combat gender-based violence and domestic violence and discrimination based on sex, sexual orientation, gender identity and expression, and sex characteristics through the strengthening and introduction of comprehensive public policies, namely in the areas of protection and support for victims, access to justice, improved data collection, prevention, national and regional coordination and multisectoral cooperation, as well as through the promotion of a new culture of accountability for aggressors. Gender-based violence, violence against women and domestic violence constitutes severe violations of fundamental rights, and domestic violence, specifically against spouses and analogues, is the crime with the highest number of records among all reported crimes in Portugal. In this context, it is necessary to develop a comprehensive set of mechanisms, with a particular focus on the implementation and introduction of flagship measures of the National Strategy for Equality and Non-Discrimination - Portugal + Igual (ENIND) 2018-2030 and the three Plans that result from it, to review existing legislation; expand the National Victim Support Network; promote initiatives to prevent and combat dating violence; qualify the various professionals who intervene in the field of this matter; support for programmes aimed at perpetrators. These measures respond to CSR A and contribute to the shared priority of "*Social and economic resilience*".

4.1.2. A more prosperous, more innovative and competitive country

The strategic challenge "*A more prosperous, more innovative and competitive country*" aims to stimulate creativity and entrepreneurship, valuing the national productive fabric, strengthening export capacity and integration into global value chains, and investment in education, science, technology and culture.

In particular, it is intended to affirm Portugal's position at the forefront of innovation, digital transformation,

and the development of solutions that allow it to serve society and open new markets for companies. It also seeks to respond to the obstacles to economic growth, such as the existing tax burden that limits the capital accumulation necessary for companies to invest more and grow. The economy of the sea is intended to create, develop, and deepen the essential conditions for the integrated, sustained, and sustainable management of the sea and its respective uses. In these areas, a strategic objective is also outlined to ensure predictability in using funds and that the State honors the contractually defined deadlines. In education, it seeks to enhance the teaching career, as well as to ensure the democratization of education through universal, compulsory and free education, and to ensure the right to equal opportunities for access to high-quality education. In the field of culture, in addition to strengthening funding that will ensure its representativeness in the various territories of the country, it seeks to reduce bureaucracy, make management structures and models more flexible, and promote the democratization of access and internationalization.

Annex I presents the critical context indicators, and the expected impact of the main measures of this challenge is also discussed in light of the existing literature (Annex II). Table 4.4 presents the measures of the challenge, their links to RRF and PA funding, and how they relate to the CSRs addressed to Portugal and the EU's common priorities.

Table 4.4. Reforms and investments framework (policy measures) – A more prosperous, more innovative and competitive country

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Reduce corporate income tax rates, starting with a gradual reduction of 2 percentage points per year.	-	CSR A	CSR 2024 1	Social and economic resilience
Simplify and make the tax regime associated with corporate restructuring and merger operations more attractive.	-	CSR A	CSR 2024 1	Social and economic resilience
The co-investment line for start-ups and venture capital	RRF PA	CSR B	CSR 2020 3.6	Social and economic resilience
Create a National Digital Strategy	PA	CSR B CSR C	CSR 2019 2.2 CSR 2019 3.1 CSR 2020 2.3 CSR 2020 2.4	Fair green and digital transition
Develop the National Strategy for Mineral Resources	-	CSR B CSR D	CSR 2024 2 CSR 2023 2.2 CSR 2023 3.1 CSR 2023 4.5 CSR 2019 4.2	Fair green and digital transition Energy security
Completion and evaluation of the Maritime Spatial Planning Situation Plan and approval of Allocation Plans	-	CSR D	CSR 2023 4.1	Fair green and digital transition Energy security
Strengthening human resources in the EMRP	-	CSR B	CSR 2024 2 CSR 2022 2.1	Social and economic resilience Fair green and digital transition
Strengthening the administrative capacity for the implementation of Cohesion Policy Funds	PA	CSR B	CSR 2024 2 CSR 2022 2.1	Social and economic resilience Fair green and digital transition
Reinforcement of technical coordination between the various government areas to articulate the work leading to the implementation of the RRP and PT2030	-	CSR B	CSR 2024 2 CSR 2022 2.1	Social and economic resilience Fair green and digital transition
Review of the career and evaluation regime of teachers in primary and secondary education	-	CSR C	CSR 2020 2.1	Social and economic resilience
Implement A+A, "Learn More Now", a learning recovery plan	RRF PA	CSR C	CSR 2020 2.3	Social and economic resilience

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Review management models and legislation in culture to ensure the functioning of institutions and the various heritage bodies	-	-	-	Social and economic resilience

Corporate income tax rates will be reduced, gradually decreasing one percentage point in 2025, from 21% to 20%. A lower corporate tax rate will ease the tax burden on companies and, in turn, contribute to job creation and better wage conditions. This measure will boost the company's internal growth and make the national market more attractive to foreign investors. This measure responds to CSRs A and B and contributes to the "*Social and economic resilience*" priority.

The tax regime associated with corporate restructuring and merger operations will be simplified and more attractive. The measure increases the tax deductibility limits only for net financing expenses related to acquisition operations and revises the rules on the tax deductibility of goodwill in merger operations. Thus, the measure aims to make merger operations through the acquisition of shareholdings more attractive from a tax point of view and promote the reduction of charges associated with these operations to stimulate the occurrence of concentration operations and promote the gain of scale of national companies. In this way, the measure contributes to CSR A and the shared priority of "*Social and economic resilience*".

An investment line for start-ups and venture capital will be developed through the creation of a fund for hybrid equity investments (convertible bonds) available to venture capital funds, accelerators, business angels and corporate ventures that wish to raise capital and ensure a financial cushion for portfolio companies, often unable to access bank credit on affordable terms. In this way, it is intended to mitigate problems of economic growth and exports and promote the development of the venture capital industry with scale and depth, filling market failures. In this context, support is foreseen in PT2030 to strengthen the sustainable growth and competitiveness of SMEs, including in start-ups in the ICT sector and business-to-business e-commerce, as well as job creation in SMEs through productive investments. With RRF and PA funding, these measures are part of the responses to CSR (summary) B and the shared priority "*Social and economic resilience*".

The National Digital Strategy aims to develop an integrated and comprehensive vision for Portugal's digital transformation by 2030, assuming itself as a guiding strategy for other sectoral plans for digital. In particular, it aims to position the country as an international benchmark in innovation, competitiveness and sustainability in the digital context, ensuring that all stakeholders, from the public to the private sector and civil society, are involved in its design and implementation. The strategy will be articulated around four main strategic areas: people, companies, state, and infrastructure, which are in line with the Digital Decade compass and the main recommendations of the Digital Decade progress report for Portugal 2024. Each of these areas will be focused on specific dimensions, such as digital empowerment, namely, empowering society with basic digital skills, increasing the number of ICT specialists in the country, promoting greater participation of women in the field and ensuring salary convergence; business transformation, intensifying the digitalisation efforts of small and medium-sized enterprises and boosting the start-up ecosystem; the modernisation and innovation of the State; as well as the creation of conditions for the acceleration of the digital transition. The strategy is strongly linked to CSRs B and C responses and the shared priority "*Fair green and Digital Transition*" with PA funding.

To promote the knowledge and rational use of the potential of national mineral resources, the National Strategy for Mineral Resources (ENRM) will be prepared, continuing the National Strategy for Geological

Resources. This strategy aims to develop a national strategy for the knowledge, identification and sustainable exploitation of mineral resources, which contributes to the promotion of the value chain of critical and strategic raw materials and the reduction of European dependence on raw materials essential for the green and digital transitions, and for other strategic sectors, as well as for economic development, social and environmental aspects of Portugal. The ENRM contributes to the common priorities "*Fair Green and digital transition*" and "*Energy security*" and responds to CSRs B and D, emphasising its contribution to CSRs 2023 3.1 and CSRs 2019 4.2.

Completion and evaluation of the Situation Plan for Maritime Spatial Planning and approval of Allocation Plans are needed to promote the sustainable balance of the marine environment and make the different uses and economic activities compatible. Portugal completed the Situation Plan for National Maritime Spatial Planning, with the approval of the Situation Plan for the Azores Subdivision, and the planning assessment for the Mainland, Extended Continental Shelf and Madeira is underway. At the same time, the approval of the Allocation Plan for Offshore Renewable Energies, which is under development, preserving the interests of the fisheries sector, will make it possible to update national maritime spatial planning, encouraging private investment in the offshore renewable energy sector and contributing to the increase of energy independence. In this way, Maritime Spatial Planning promotes the multiple and sustainable use of the Ocean and the resilience of the Economy of the Sea, contributing to CSR (summary) D and the common priorities "*Fair green and digital transition*" and "*Energy security*".

To enhance the degree of implementation of the RRP, human resources will be reinforced in the Recover Portugal Mission Structure (EMRP) in the various areas of activity, creating a pool of technicians to overcome increases in the work of the RRP, which occurs in its respective direct beneficiaries. In particular, the human resources of the EMRP will be reinforced to face an acceleration of the implementation of the RRP, namely by meeting the established deadlines for the analysis of applications and payment requests, respectively 60 and 20 days. In addition, it seeks to strengthen technical coordination between the various government areas covered by the respective funds. This coordination will include, among others, greater communication between all areas to eliminate potential specific problems and ensure multidisciplinary management of European funds. These measures directly contribute to CSRs (summary) B, as well as to the priorities "*Social and economic resilience*" and "*Fair green and digital transition*".

In the context of strengthening the administrative capacity for the management of the Cohesion Policy Funds, it should be noted that the Action Plan of the Roadmap for the Empowerment of the Funds Ecosystem is in full implementation to strengthen administrative capacity, through capacity-building actions, strengthening of skills and hiring of human resources. In addition, the organic structure and statutes of the authority responsible for the general coordination of cohesion policy funds – AD&C – were amended by Decree-Law No. 84/2023 and Ordinance No. 439/2023 (respectively), which allowed the strengthening of the respective organisational structure. Finally, to analyse the PT2030 applications in 60 days and execute payments in 30 days, a pilot project is underway with higher education institutions using artificial intelligence in the application analysis phase.

In education, a comprehensive overhaul of the career and evaluation system for primary and secondary school teachers will be carried out to make the profession more attractive and increase human resource retention. The A+A Plan "*Learn More Now*", funded by the RFF and the PA, aims to recover learning and promote students' school success. To this end, adequate resources will be available to support students in schools, train teachers to implement tutoring systems, increase teaching hours and invest in digital educational resources. These measures address CSR C and the shared priority of "*Social and economic resilience*".

In the culture sector, to ensure the functioning of institutions and the various heritage bodies, management models and legislation will be reviewed to ensure measures to safeguard heritage and prevent risks involving local communities, civil society organisations, companies and international institutions. The main problem that the measure aims to solve is the effectiveness and efficiency of managing cultural heritage and related institutions due to outdated legislation and management models. The main objectives of this measure include modernising and adapting legislation and cultural heritage management models, establishing a territorial network for heritage management, and promoting the active participation of local communities, civil society organisations, companies, and international institutions. It is expected to increase institutional and heritage resilience and ensure the long-term sustainability and preservation of cultural heritage, thus building towards the shared priority of "*Social and Economic Resilience*".

4.1.3. A country with a more efficient state

The strategic challenge, "*A country with a more efficient State*," aims to transform the State and its functioning. A State capable of providing citizens with more accessible and better-quality public services and promoting true equality of opportunities. This challenge covers reforming public and State finances, reorganizing, modernizing, and digitalizing public administration and health.

The critical context indicators are presented in Annex I and the expected impact of the primary measures of this challenge (Annex II) is discussed in light of the literature. The measures, their association with RRF and PA funding, and how they relate to the CSRs addressed to Portugal and the EU's common priorities are summarised in Table 4.5.

Table 4.5. Reforms and investments framework (policy measures) - A country with a more efficient state

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Implement the SNC-AP and program budgeting.	RRF	CSR A	CSR 2024 1 CSR 2019 1.2	Social and economic resilience
Ensure that all relevant companies' reporting includes public service obligations and the compensation that the company receives from the State to comply with them, as well as information of a non-financial nature (e.g., environmental, social, and governance).	-	CSR A	CSR 2019 1.3	Social and economic resilience
Concentrate most Government and Central Administration entities in a single physical space.	RRF	CSR A	CSR 2024 2	Social and economic resilience
To empower the Centre of Government, developing centres of excellence include planning, foresight, and evaluation of public policies and legal services.	RRF	CSR A	CSR 2024 2	Social and economic resilience
Increase the data interconnection between the Tax Authority, Social Security, and the Institute of Registries and Notaries, namely in registering households, marital status, and address, becoming the only channel for data communication.	-	CSR A	CSR 2024 1	Fair green and digital transition Social and economic resilience
Define a Multi-annual Investment Plan for the NHS, aiming to modernize its units and equip its infrastructures technologically. The Plan seeks to strengthen the NHS's response capacity in its fundamental valence and contribute to the motivation of professionals and the humanization of health care.	RRF AP	CSR A	CSR 2020 1.2 CSR 2020 1.3	Social and economic resilience

Public finance reform is essential to modernize and make the management of State resources more efficient, promoting greater transparency and accountability in using these resources. Implementing the Accounting Standardization System for Public Administrations (SNC-AP) will facilitate the harmonisation and modernisation of public accounting. In addition, introducing programme budgeting will contribute to more efficient and results-oriented budget management, allowing for a more strategic allocation of resources and monitoring of programme performance. The requirement for relevant companies to report public service obligations and compensation received from the State, including information of a non-financial nature – such as environmental, social and governance data – promotes transparency and corporate accountability, aligning Portugal with European standards, such as the Corporate Sustainability Reporting Directive (CSRD), and reinforces the commitment to the SDGs of the UN 2030 Agenda, encouraging sustainable practices in the private sector.

State reform, promoted through reorganisation, modernisation, and digitalisation, is essential to create a more agile public administration closer to citizens, promoting greater transparency and trust in institutions. The concentration of Government and Central Administration services in a single physical space, an integral part of the reform (TD-r35) of the RRP, aims to rationalise resources, reduce operating costs and improve the efficiency of public services, promoting a more agile and cohesive administrative structure. The capacity building of the Government Centre, through the strengthening of centres of excellence in planning, foresight and evaluation of public policies and legal services, will contribute to improving the coordination and quality of policies and reduce dependence on external consultancies, thus strengthening the State's internal capacity. Data interconnection between the Tax Authority, Social Security and the Institute of Registries and Notaries will reduce administrative costs, contribute to the fight against fraud and optimisation of personal information management, and make public administration more efficient and transparent.

In health, the measures aim to overcome access difficulties and ensure a system that values the efficiency and quality of the care provided. The definition of a Multiannual Investment Plan for the NHS, which includes technological modernisation, the qualification of infrastructures, and investment in NHS Human Resources, is central to strengthening the system's responsiveness and motivating its professionals. This Plan will promote a more robust, accessible NHS focused on the needs of citizens.

These three areas of intervention are articulated, creating a coherent strategy for the transformation of the State that contributes directly to the priorities of "*Social and economic resilience*" and "*Fair ecological and digital transition*" and, at the same time, responds to the needs identified in CSR (Synthesis) A, with emphasis on their contribution to responding to CSR 2019 1.3.

4.1.4. A more democratic, open and transparent country

One of Portugal's strategic challenges is to strengthen the rule of law, ensure compliance with the Constitution and the law, ensure the regular functioning of institutions, public order and the security of people and property, effective and efficient justice and the fight against corruption. In this context, in addition to promoting the integrity and transparency of governance, political accountability and the fight against corruption in all its forms, one of the primary purposes is the pursuit of justice that operates in a competent, fast and transparent manner, which is essential to, for example, allow the trust of citizens and economic agents, as well as the efficiency of the economy.

Within the framework of this strategic challenge, another relevant objective is the promotion of transparency, pluralism and responsibility of agents in the public space. To this end, in addition to striving to guarantee the pluralism, independence and sustainability of the information and media outlets, it is intended to combat the harmful effects caused by disinformation, information manipulation and fake news, with a focus on the rights and duties of citizens, promoting education and media literacy, for the benefit of an informed citizenry, to increase the level of trust in democratic institutions, the media and political agents.

Annex I presents the critical context indicators, and the expected impact of the primary measures of this challenge is also discussed in light of the existing literature (Annex II). Table 4.6 presents the measures of the challenge, their link to RRF and PA funding, and how they relate to the CSRs addressed to Portugal and to common EU priorities.

Table 4.6. Reforms and investments framework (policy measures) - A democratic, open and transparent country

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Propose urgent measures for the administrative and tax jurisdiction based on existing contributions.	RRF	CSR B	CSR 2020 4.1 CSR 2019 4.4	Social and economic resilience
Reforming insolvency regimes, with a paradigm shift in insolvency and corporate recovery regimes	RRF	CSR B	CSR 2019 4.1	Social and economic resilience
Requalify the court buildings and strengthen the development of the respective technological equipment.	-	CSR B	CSR 2019 4.4	Social and economic resilience Fair green and digital transition Energy security
Resize the prison network and social reintegration teams and promote the differentiation and individualization of prison intervention.		CSR B	CSR 2019 4.4	Social and economic resilience Fair green and digital transition Energy security
Implement the multiannual framework for investments in the security forces	-	CSR B	CSR 2024 2	Social and economic resilience Fair green and digital transition
Develop a national education and media literacy strategy	-	CSR C	CSR 2020 2.3 CSR 2019 2.2	Social and economic resilience Fair green and digital transition

Whereas how justice operates affects both the conditions for the functioning of society and the economy and the quality of democracy and trust in public institutions, urgent measures will be proposed for the administrative and tax courts to overcome the constraints that hinder the resolution of disputes within a reasonable timeframe, to increase the efficiency and speed of the courts, as recommended in the 2024 Rule of Law Report – Country Chapter on the rule of law situation in Portugal (SWD(2024) 822 final, pp. 3 and 13-14).

The reform of insolvency and business recovery regimes will also be pursued, aiming to speed up the processing and judicial decision in this area and cancel or mitigate the obstacles to the recovery of credits, thus improving the conditions of economic activity and the business and business environment. The RRP financially supports the implementation of these two reform measures. Both contribute to the response to CSR (summary) B and are aligned with the shared priority of "*Social and economic resilience*".

Alongside these measures, investments are also planned to address the deficient or insufficient material conditions for the operation of the courts and associated services. In this sense, continuing the multiannual investment plan in the area of justice – recognized in the 2024 Rule of Law Report – Chapter on Portugal (SWD(2024) 822 final, pp. 11-13) – the focus will be on the requalification of court buildings and the

strengthening of their technological equipment. In this way, it aims to respond to and resolve the State of degradation of the Portuguese courts and adapt the justice buildings to the rules of environmental sustainability and the ongoing digitalisation process, allowing the development and installation of the technological support structure. This measure contributes to the response to CSR B and is aligned with the EU's common priorities "*Social and economic resilience*", "*Fair green and digital transition*", and "*Energy security*".

On the other hand, it is also planned to resize the network of Prison Establishments and social reintegration teams, with the consequent promotion of differentiation and individualisation of the intervention of Prison Establishments. Considering that Prisons and Educational Centres do not offer, in some instances already identified by the ECtHR, minimum conditions to prisoners to safeguard their rights, freedoms and guarantees, this measure aims to create energy and environmental sustainability projects, with the improvement of services and operation of Prisons/Educational Centres and their buildings. This framework also includes developing projects to strengthen cooperation with prisoners, fostering initiatives with an educational scope and social/professional integration. This measure contributes to the response to CSR B and is aligned with the EU's common priorities "*Social and economic resilience*", "*Fair green and digital transition*", and "*Energy security*".

Another relevant measure is implementing the multiannual framework for investments in the security forces, as provided for under Decree-Law No. 54/2022 of 12 August, for the 2022-2026 programming cycle. As the promotion of citizen security is a priority of the State, as this security is also one of the leading national strategic assets and is a competitive advantage from an economic point of view, several investments are planned in facilities, information and communication technology systems, vehicles, weapons and other equipment necessary for the pursuit and attributions of the security forces, providing them with the appropriate means to ensure their modernisation and improve their responsiveness. This measure contributes to the response to CSR (summary) B and is aligned with the EU's common priorities "*Social and economic resilience*" and "*Fair green and digital transition*".

Because it is necessary to promote and defend a public space in which people can inform themselves and express themselves freely and safely – a fundamental condition of the democratic order – the Portuguese State is committed to the elaboration and implementation of a national strategy for education and media literacy, which promotes the development of critical skills, about the media and information. The purpose is that, in this way, we can contribute to mitigating the threats and harmful effects of disinformation, information manipulation and fake news. This is in line with point 4 of the European Democracy Action Plan (COM/2020/790 final, pp. 21-29), as well as with the guidelines and concerns expressed in point 3.3 of the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Defending Democracy (COM/2023/630 final, pp. 19-23). In addition, this measure contributes to the response to CSR (summary) C and is aligned with the EU's common priorities "*Social and economic resilience*" and "*Fair green and digital transition*".

4.1.5. A greener and more sustainable country

Portugal is committed to preserving and enhancing its natural resources: protecting biodiversity and restoring its ecosystems, overcoming the difficulties of managing their resources, namely water resources that face the scarcity scenario resulting from climate change. The country is also committed to decarbonizing all sectors of activity and transitioning to a circular economy, investing in renewable energies, energy

efficiency, and sustainable mobility. The measures already adopted and to be adopted align with compliance with the Paris Agreement and the EU's environment and climate strategy.

To this end, it is essential to implement environmental and energy policies that ensure a better quality of life, protect the ecosystems that support it and, at the same time, promote wealth creation, economic competitiveness and balance between sectors of activity. The transposition and swift implementation of the European directives and regulations stemming from the European Green Deal will provide an essential basis for meeting the 2030 targets. In addition, the specificity of the Portuguese context justifies returning political relevance to the agroforestry and fisheries sectors and, within the scope of territorial cohesion and decentralisation, ensuring the territorialised planning of significant investments and infrastructures.

Regarding mobility, it is essential to boost rail freight transport and promote rail passenger transport, as well as adequate intermodality and the decarbonisation of other means of transport. Regarding housing policies, it is essential to mobilise society to effectively stimulate the supply of affordable housing in the rental and acquisition markets, in conjunction with programs to promote energy and water efficiency.

Annex I presents the key context indicators. It also discusses, in light of the existing literature, the expected impact of the primary measures of this challenge (Annex II). The measures are summarised in Table 4.7, which outlines their association with RRF and PA funding and how they relate to the CSRs addressed to Portugal and the EU's common priorities.

Table 4.7. Reforms and investments framework (policy measures) - A greener and more sustainable country

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Develop and implement the "Water that Unites" Strategic Plan	PA	CSR D	CSR 2024 3	Fair green and digital transition Social and economic resilience
Develop programs to reduce actual water losses in supply networks	RRF PA	CSR D	CSR 2024 3	Fair green and digital transition
Develop programs to increase the use of treated wastewater	RRF PA	CSR D	CSR 2024 3 CSR 2023 3.1 CSR 2022 3.1	Fair green and digital transition
Implement a waste management policy for a circular economy	RRF PA	CSR D CSR B	CSR 2023 3.1 CSR 2022 3.1	Fair green and digital transition
Create and implement the Coastal Resilience Action Plan 2025-2040	-	-	CSR 2024 2 CSR 2024 3	Fair green and digital transition Social and economic resilience
Prepare and implement the National Plan for Nature Restoration	-	-	-	Fair green and digital transition Social and economic resilience
Regulate and implement various aspects of the Framework Climate Law	-	CSR B	CSR 2024 2	Fair green and digital transition
Operationalize the Mission Structure for the Licensing of Renewable Energy Projects (EMER 2030)	RRF PA	CSR B CSR D	CSR 2024 2 Annual Appeal 2024 4 CSR 2023 4.1 CSR 2023 4.2 CSR 2023 2.1 CSR 2022 4.1 CSR 2022 4.3 CSR 2022 4.4 CSR 2020 3.2	Fair green and digital transition Energy security

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
			CSR 2020 3.4 CSR 2019.4.2 CSR 2019 3.3	
Launch tender procedures for offshore wind energy production auctions	RRF PA	CSR D CSR B	Annual Appeal 2024 4 CSR 2023 4.1 CSR 2023 4.2 CSR 2022 4.1 CSR 2022 4.3 CSR 2022 4.4 CSR 2020 3.4 CSR 2020 3.6 CSR 2019 3.3	Fair green and digital transition Energy security
Strengthen support programs for energy efficiency in housing	MRR AP	CSR D CSR B	CSR 2023 4.4 CSR 2023 2.1 CSR 2022 4.5	Energy security Social and economic resilience
Review and implement the National Energy and Climate Plan (PNEC 2030)	-	CSR B	CSR 2024 2	Fair green and digital transition
Develop and implement the National Strategy for the Integrated Development of Energy Networks.	-	CSR D CSR B	CSR 2024 2 Annual Appeal 2024 4 CSR 2023 4.3 CSR 2023 4.4 CSR 2022 4.3 CSR 2022 4.6 CSR 2019 3.3	Fair green and digital transition Energy security
Develop new financial instruments to foster investment in the agroforestry, fisheries and aquaculture sector.	-	CSR B	CSR 2024 2	Social and economic resilience
Enhance the use of funds from the Common Agricultural Policy, the Environmental Fund, PT2030, MAR2030, and European programs, such as Horizon Europe and InvestEU.	AP	CSR B	CSR 2024 2 CSR 2023 2.2	Social and economic resilience
Enhance low-density territories by requalifying coverage with fixed and high-speed mobile internet.	-	CSR B CSR C	CSR 2020 2.4 CSR 2019 2.2	Social and economic resilience Fair green and digital transition
Promoting the improvement in the interoperability of territory-based information systems	MRR	-	-	Fair green and digital transition Social and economic resilience
Evaluate the creation of incentives for the energy conversion of passenger transport vehicles	MRR AP	CSR D	CSR 2022 4.2	Fair green and digital transition
Ensure the execution of the National Investment Program (PNI2030)	AP	CSR B	CSR 2024 2 CSR 2020 3.2 CSR 2020 3.6	Social and economic resilience Fair green and digital transition
Start the construction of transport infrastructure (rail and TGV)	AP	CSR B	CSR 2020 3.2 CSR 2020 3.5 CSR 2019 3.2	Social and economic resilience Fair green and digital transition
Provide public support and transitional stimuli to address the most pressing housing shortages and lack of accessibility.	MRR	CSR A	CSR 2020 2.2	Social and economic resilience
Ensure the implementation of the measures that are part of the Housing Strategy.	-	CSR A	CSR 2020 2.2	Social and economic resilience

Climate change poses challenges to the management of available water and the increase in surface water storage capacity. It makes it urgent to invest in measures such as the rehabilitation of water bodies and the promotion of water efficiency. Thus, the elaboration of the "*Water that Unites*" Strategic Plan, of an interministerial and intersectoral nature, and the development of specific programs to reduce actual water losses in the supply networks is highlighted. The "*Water that Unites*" Strategy, which involves the public

supply and agriculture sectors, articulates the management instruments in force, promoting the sustainability of this resource to guarantee supply, safeguard the well-being of the population and the viability of the use of the resource by the economic sectors that depend on it. Investments are also underway to mitigate water scarcity and ensure greater resilience of the territories to drought episodes, including the construction of the Crato Multi-Purpose Hydraulic Development and the expansion of the area benefited by the Alqueva Multi-Purpose Enterprise, as well as investments in irrigation contemplated in the National Irrigation Program, in PDR2020, PEPAC, PRR and Environmental Fund. Finally, two other measures include the reuse of wastewater and the diversification of supply sources. It is intended to increase the available capacity and resilience of existing reservoirs/upstream adduction systems, reinforcing them with new water sources and promoting seawater desalination. Within the framework of PT2030, investments are planned to facilitate access to water and sustainable water management.

In terms of waste, the preparation of the second Action Plan for the Circular Economy (PAEC II), submitted for public consultation in 2023, which will make waste management a fundamental part of the circular economy, stands out. The Plan had as its starting point the evaluation of the actions of the previous PAEC, the mapping of Portugal's performance through circular economy indicators, and the 2nd Action Plan for the EU Circular Economy. Within the framework of PT2030, investments are planned to promote the transition to a circular and resource-efficient economy.

The loss of biodiversity is one of the country's biggest challenges, urging the improvement of the conservation and restoration of ecosystems. Thus, the preparation of the National Plan for Nature Restoration is planned, following the European directive. Transposition will oblige member states to implement ecological restoration measures covering at least 20% of the EU's terrestrial and marine areas by 2030. By 2050, measures will have to be in place for all ecosystems needing restoration. Within the scope of PT2030, support is foreseen for actions aimed at strengthening the protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution.

In the context of the challenges that Portugal faces due to climate change, it is essential to regulate and implement several aspects of the Basic Climate Law, giving a new impetus to environmental and energy policies. Climate change is exacerbating coastal erosion, exacerbated by the increasingly frequent occurrence of extreme weather events. Portugal will thus update the policy and planning instruments regarding the coast and accelerate the operationalisation of measures to mitigate risks to people and property. Measures in this area include preparing and implementing the Action Plan for Coastal Resilience 2025-2040, which provides for structural initiatives and investments in coastal resilience, management of sedimentary dynamics, planned retreat and ecological restoration. Under WP2030, support is foreseen to promote climate change adaptation, disaster risk prevention and resilience, considering ecosystem-based approaches.

The above measures materialise policies in water management, circular economy and biodiversity, mainly contributing to the EU's shared priority "Green transition and fair digital" and responding to CSR (summary) D.

In the context of the energy transition, the creation of conditions for the implementation of renewable energy projects through the operationalisation of the Mission Structure for the Licensing of Renewable Energy Projects (EMER2030), which is part of a broader set of reforms, aligned with the REPowerEU initiative and integrated into the RRP, and which will support the implementation of renewable energy projects in a more transparent manner, agile and simplified. Another contribution is the investment in offshore wind production. Portugal will launch tender procedures for installing 2 GW by 2030 to strengthen the electricity system's stability and attract the value chain of offshore technologies. Energy efficiency is also an essential

dimension of the energy transition. In this area, the reinforcement of housing support programmes and the investments of the RRP and REPowerEU in the energy efficiency of residential buildings that will benefit households with lower incomes should be highlighted. The revision of the National Energy and Climate Plan (PNEC2030) establishes a 51% share of renewable energy in gross final energy consumption in 2030. It defines the reduction of greenhouse gas emissions to 55% compared to 2005 levels by 2030. Finally, the National Strategy for the Integrated Development of Energy Networks stands out as promoting integrated, coordinated, and efficient planning and development of energy networks in all aspects. These measures materialise policies for the energy transition, broadly meeting the objectives of the EU's common priorities on "*Fair green and digital transition*" and "*Energy security*" and responding to CSR (summary) D.

In the Agriculture, Forestry and Fisheries sectors, it is essential to develop financial instruments that encourage more investment and enhance the use of existing funds. Regarding new financial instruments, credit lines with subsidised interest/0% interest rates will be made available, and more extended amortisation periods and the waiver of collateral will be introduced. Portugal will enhance the use of funds from the Common Agricultural Policy, the Environmental Fund, PT2030, including MAR2030 and European programmes, such as Horizon Europe and InvestEU, and strengthen investment by extending the programmes that the sector can use in addition to those mentioned above, for example, to be able to support the modernisation of cooperatives, farms and vessels, increase the competitiveness of the processing industry and the connectivity of territories. This is intended to implement European funds and fully promote synergies between different funds. These measures respond to CSR B and contribute to the EU's shared priority, "*Social and economic resilience*".

Regarding broadband internet access in rural areas and access to digital public services, the measure that aims to enhance low-density territories by requalifying coverage with fixed and high-speed mobile internet stands out. Portugal will improve the interoperability of territorial-based information systems, facilitating access to knowledge about rights, duties and restrictions that affect the territory. Access to broadband internet also allows for adopting more sustainable practices in different sectors of activity, for example, through the implementation of precision agriculture techniques. These measures respond to CSRs B and C and contribute to the EU's common priorities of "*Social and economic resilience*" and "*Green and digital transition*".

The main measures for mobility, infrastructure, and communications are to complete infrastructure investments and assess the possibility of creating incentives for converting energy in passenger transport. The National Investment Programme (PNI2030) guides the allocation of public investment over ten years, covering EU, national and other funding sources, the implementation of which should be ensured. The PNI2030 includes the renewal of the rolling stock fleet, increased capacity in metropolitan areas, electrification and rehabilitation of railway sections. It also provides for the construction of a high-speed axis between Porto and Lisbon, which reduces travel times and replaces air transport on this route, funded by the Connecting Europe Facility (CEF). The first section of this line between Porto and Oïã has already been tendered. These measures address CSR D, particularly CSR 2020 3.5 and 2019 3.2, and contribute to the EU's common priorities "*Fair green and digital transition*" and "*Social and Economic Resilience*".

The Housing Strategy responds to the difficulties in acquiring or renting a house. The "*Construir Portugal*" plan involves encouraging housing supply, streamlining access to rent support programs, correcting the distortions introduced to the rental regime, promoting public housing, restoring confidence to stakeholders, promoting youth housing and ensuring housing affordability. The importance of providing public support and transitional stimuli to address the most pressing housing shortage and lack of accessibility is also highlighted. These measures contribute to the EU's shared priority, "*Social and economic resilience*", and respond to CSR

(summary) A.

4.1.6. A more global and humanist country

The strategic challenge "*A more global and humanist country*" is based on the defense of the European project, the enhancement of the Portuguese-speaking space and the worldwide promotion of the Portuguese language, the intensification of transatlantic cooperation, the defense of multilateralism, the promotion of a regulated and humanist immigration policy, and the strengthening of Portugal's effective contribution to international peace and security. In the face of a profoundly interdependent and rapidly changing world, internal policies that will contribute to a more humanistic, competitive and preponderant country on the international scene contribute to this challenge. In this sense, promoting a foreign policy aligned with wealth creation objectives and social and economic development is essential.

As for migration, the country needs and is available to welcome immigrants, considering the demographic and social benefits. At the same time, the conditions that guarantee a dignified reception of these people will be strengthened and improved. The objective is to promote a regulated immigration policy oriented to the needs of the labour market and in line with the strengthening of social and economic resilience.

As for National Defence, the objectives of improving personnel planning, obtaining and retaining military personnel, increasing investment in the Armed Forces and strengthening cyber defence capabilities, promoting greater justice for former combatants, and dignifying and respecting their condition and memory stand out. The objective of involving Portuguese companies in research, development and production consortia in the areas of Defence contributes to responding to the recommendation to focus economic policy on innovation and R&D. The commitment is also made to reach 2% of GDP in defence spending within NATO, in line with the strengthening of standard defence capabilities.

The critical context indicators are presented in Annex I, and the expected impact of the primary measures of this challenge (Annex II) is discussed in light of the literature). The measures, their association with RRF and PA funding, and how they relate to the CSRs addressed to Portugal and the EU's common priorities are summarised in Table 4.8.

Table 4.8. Reforms and investments framework (policy measures) - A more global and humanist country

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Enhance the Portuguese-speaking space and promote the Portuguese language worldwide through the Portuguese language's candidacy as the Official Language of the UN.	-	-	-	Social and economic resilience
Strengthen the human and technical resources of the Portuguese consular network to better respond to the needs of citizens and companies and contribute to strengthening legal and safe immigration pathways.	-	-	-	Social and economic resilience
Reorient the Portuguese State's immigration policy in a realistic and humanistic way, with adequate rules and supervision, the implementation of a more functional regime for CPLP citizens, and an approach aimed at attracting talent.	-	-	-	Social and economic resilience

Measure (Reform / Investment)	RRF/PA	CSR (Synthesis)	CSR	Common priorities
Restructuring of the Agency for Integration, Migration and Asylum (AIMA) to correct legislative inconsistencies, operational difficulties, and blockages and create a Mission Structure to resolve the approximately 400 thousand pending processes of regularizing foreign citizens in the national territory.	-	-	-	Social and economic resilience
Maintain and strengthen participation in international missions with Deployed National Forces (NDF) and Deployed National Elements (NDT) within the scope of NATO, UN and EU international organizations.	-	-	-	Strengthening defence capabilities
Promote a competitive defence industry at European and international levels, reinforcing investment, ensuring the implementation of the Military Programming Law (LMP) and existing resources, and contemplating investment in cyber defence capabilities, re-equipment, materials, and modernization of military installations.	-	CSR B	CSR 2019 3.1 CSR 2020 3.6	Strengthening defence capabilities
Promotion of space-related production and services and training and knowledge activities in partnership with allied countries with experience in this field, such as the US, the UK, or other European countries.	-	CSR B	CSR 2019 3.1 CSR 2020 3.6	Strengthening defence capabilities

To strengthen the Portuguese-speaking space, value the Portuguese diaspora and contribute to enhancing legal and safe immigration pathways, the objective of strengthening the human and technical resources of external peripheral services and promoting improvements in their technological infrastructure stands out. In this sense, the human and technical resources dedicated to consular public services will be reinforced to increase their capacity to respond to the needs of citizens and companies, thus strengthening social and economic resilience.

The action of the Portuguese State is to reorient immigration policy in a realistic and humanistic way. It aims to adopt appropriate rules and supervision, implement a more functional regime for CPLP citizens in compliance with European regulations, and develop an approach to attract talent. The objective is to establish a system of attraction of human capital, using a survey of needs that responds to the current and future shortages of workforce in the national economy and its skills profile, in close articulation with the confederations and business associations.

Restructuring the Agency for Integration, Migration and Asylum (AIMA) – Decree-Law No. 41-A/2024, of 28 June – aims to correct legislative inconsistencies, operational difficulties, and blockages. Measures were taken to logically and efficiently reorganise the police functions of the extinct Foreigners and Borders Service (SEF), definitively separating the police and administrative functions. To resolve the pending regularisation processes in the national territory, which is embodied in approximately 400 thousand requests, a mission structure was created – Resolution of the Council of Ministers No. 87/2024 –, equipped with the human, technological and logistical resources to process and decide on these processes effectively.

To strengthen the Portuguese-speaking space, value the Portuguese diaspora and contribute to enhancing legal and safe immigration routes, the human and technical resources of the external peripheral services will be strengthened, and improvements will be promoted in their technological infrastructure. In this sense, the human and technical resources dedicated to consular public services will be reinforced to increase their capacity to respond to the needs of citizens and companies.

Considering that most of the migratory phenomenon is based on work purposes and that most immigrants

are of working age, this is an essential factor in combating the inversion of the demographic pyramid in Portugal and contributes to a more dynamic labour market. Building strong institutions capable of responding to the challenges of migratory pressure, promoting safe and regulated immigration channels, and adequate reception and integration critically contributes to the EU's shared priority, "*Social and economic resilience*".

The Portuguese State's action is to maintain and strengthen participation in international missions with Deployed National Forces (FND) and Deployed National Elements (END) within the scope of the international organisations NATO, UN, and EU. Measures to provide the country with capable and competitive armed forces, with platforms in the various military branches, aim to strengthen national defence capabilities and those of its partners and allies and to face challenges, obstacles, and gaps in the global security environment.

A competitive national Defence industry will be promoted at the European level and in other international contexts, reinforcing investment and ensuring a better and more efficient application of the Military Programming Law (LPM). This includes investment in cyber defence capabilities, re-equipment, materials and modernisation of military installations. In this context, the reassessment of the procedures for specific public procurement in Defence areas will be promoted, increasing the construction of capabilities through structuring investments translated into the LPM. This review is a decisive element in this process. Programs will continue to take place in the three Branches of the Armed Forces (e.g. Soldier Combat System, various naval platforms, KC-390 transport aircraft, support helicopters), the recovery of the Alfeite Arsenal, negotiations for the purchase of A-29 "*Super Tucano*" aircraft, with NATO certification, which will allow the participation of Portuguese industry in its development and increase the possibilities of support to land forces and pilot training and the manufacture of munitions, promoting national participation and the transfer of knowledge and technology to Portugal.

These initiatives will increase investment in the defence sector, modernise and boost national industries, promote knowledge sharing and the development of dual-use technologies, strengthen the export capacity of goods and services, and integrate them into the supply chains of large manufacturers. Through investment, innovation and R&D fostering, national capacity building contributes to addressing CSR (summary) B, particularly CSR 2019 3.1 and CSR 2020 3.6, and contributes to the EU's shared priority "*Defence Capacity Building*".

4.2. Public investment needs

Table 4.9 presents some of the leading investment needs that go beyond the measures included in the 2024-2028 GOs and the selection offered in this document or that, if appearing, do not have a source of guaranteed financing in whole or in part. Public investment needs have been considered within the strategic objectives and general priorities that guide public policies in Portugal, such as national development plans, EU directives and international commitments, ensuring that they address, as much as possible, the Common Priorities and the national objectives of economic growth, sustainability and social cohesion.

For some identified areas, ongoing investments are financed by national resources and the RRF, PA, or other European funds, but not to the extent or volume necessary to fully cover current needs and ensure that policy objectives are achieved.

Table 4.9. Public investment needs

EU Common Priority	Strategic Challenge	Need for Investment
Strengthening defence capabilities	A more global and humanist country	- The Military Programming Law guarantees funding to facilitate project structuring, in-house training, and full compliance with <i>NATO</i> targets. - Military Infrastructure Law (LIM): Currently, the funding sources provided for the LIM do not fully respond to the need to recover the National Defence's built heritage. - Salary Updates, valuing the military career, improving the attractiveness of the Armed Forces, and their capacity to recruit and retain personnel. - To reinforce the nature of the situation and increase the support granted to former combatants. - International Stability and the Transatlantic Space: To contribute to these objectives in a geopolitical scenario in profound change, it is necessary to intensify and review the framework of priorities in National Defence policies, which will provide Portugal with greater resilience (only then can it be a relevant actor in strengthening the Union's defence capabilities). - Defence Industry: Reinforce investment in re-equipment and in the modernization and adaptation of equipment and facilities to guarantee capable Armed Forces, with platforms in the various military branches capable of ensuring their missions at national and international borders, on land, sea, air, cyberspace, and space. - Invest in health within the perimeter of the Armed Forces, namely in the valence, technical and human resources of the Armed Forces Hospital.
Social and economic resilience	A fairer and more supportive country	- Psychological Support Responses for children and young people who are victims of Domestic Violence (RAP) ensure funding and expansion of the response. - Support and Protection Network for Victims of THB, ensure the funding of Multidisciplinary Support Teams for Trafficking in Human Beings, reception and protection centres for victims of trafficking and empowerment structures (women/men, children and young people and families). - Transport of victims of domestic violence and trafficking, guarantee funding.
Fair green and digital transition	A more democratic, open and transparent country	- Special Rural Fire Fighting Device (DECIR) — Aerial component: Ensure dedicated and specific funding for this device. - Resize the prison network and social reintegration teams and promote the differentiation and individualization of prison intervention.
Social and economic resilience	A greener and more sustainable country	- In the "Water that Unites" Strategic Plan, ensure that the investments included in the Plan are necessary to develop an interconnected infrastructure network that allows the efficient management, storage, and distribution of water resources in view of their different uses. - National Pact for the Forest is a set of short-, medium-, and long-term proposals. - Halt biodiversity loss through nature conservation measures and restoration of degraded areas, positively impacting biological diversity, economic and social terms, and health and food security. - National Action Plan for Marine Litter, National Action Plan to Combat Ocean Acidification, Situation Plan for Maritime Spatial Planning.
Fair green and digital transition	A greener and more sustainable country	- Implement a regenerative policy in waste management in favour of a circular economy. - Make the territory, particularly the coast, more resilient to the impacts of climate change. - It invests in digitalization and technological innovation to develop robust and reliable environmental monitoring systems for resource management and informed decision-making.
Energy security	A greener and more sustainable country	- Continue efforts in the energy transition, namely the commitment to technological innovation and digitalisation in innovative projects that contribute to diversifying the energy mix, reducing dependence on fossil fuels, decarbonisation, transport, energy storage, and security of supply. - Management of geological resources and critical raw materials.

Needs have been identified covering all common EU priorities. In defence capacity building, it is crucial to ensure adequate funding to provide equipment for the armed forces that is appropriate for fulfilling their functions in a challenging geopolitical context. This includes strengthening the defence industry and improving the attractiveness of military careers to facilitate the recruitment and retention of qualified and prepared personnel.

At the same time, it is crucial to secure additional funding for investments that support Portugal's effort to improve water management and strengthen climate change adaptation actions. In addition, it is essential to invest in technological innovation and digitalization to improve environmental monitoring and diversify the energy matrix in sectors such as transportation. Funding is also needed to implement ocean and maritime space-related plans and measures.

Annexes

Annex I – Alignment and indicator tables

Table I.1. Relevant Country-Specific Recommendations (CSRs) addressed to Portugal (summary version)

Summary CSR designation	Country-Specific Recommendations for Portugal (summary version)	Relevant Country-Specific Recommendations for Portugal (original version code) ¹⁴
CSR A – Finance, social protection, health and care.	Improve the quality of public finances by ensuring fiscal prudence and consolidation and promoting sustainable growth. Improve the effectiveness of the tax and social protection systems. Strengthen the health system's resilience and long-term care.	SE 2019 CSR 1 SUB PART 2 SE 2019 CSR 1 SUB PART 3 SE 2019 CSR 2 SUB PART 4 SE 2020 CSR 1 SUB PART 2 SE 2020 CSR 1 SUB PART 3 SE 2020 CSR 2 SUB PART 2 SE 2022 CSR 1 SUB PART 3 SE 2022 CSR 1 SUB PART 4 SE 2023 CSR 1 SUB PART 6 SE 2024 CSR 1
CSR B – Investment, funds, competitiveness, infrastructure.	Promote public and private investment. Effectively and efficiently implement the RRP and PT2030 funds. Promote company competitiveness and investment in innovation, research, and digital technologies. Invest in rail and port infrastructure.	SE 2019 CSR 3 SUB PART 1 SE 2019 CSR 3 SUB PART 2 SE 2019 CSR 4 SUB PART 1 SE 2019 CSR 4 SUB PART 2 SE 2019 CSR 4 SUB PART 3 SE 2019 CSR 4 SUB PART 4 SE 2020 CSR 2 SUB PART 4 SE 2020 CSR 3 SUB PART 1 SE 2020 CSR 3 SUB PART 2 SE 2020 CSR 3 SUB PART 3 SE 2020 CSR 3 SUB PART 5 SE 2020 CSR 3 SUB PART 6 SE 2020 CSR 4 SUB PART 1 SE 2022 CSR 2 SUB PART 1 SE 2022 CSR 2 SUB PART 2 SE 2023 CSR 1 SUB PART 4 SE 2023 CSR 2 SUB PART 1 SE 2023 CSR 2 SUB PART 2 SE 2024 CSR 2
CSR C – Employment, STEM graduates, digital skills and green transition.	Support job creation, increase the number of graduates in STEM fields, and support the acquisition of digital skills and the skills and competencies needed for the green transition.	SE 2019 CSR 2 SUB PART 1 SE 2019 CSR 2 SUB PART 2 SE 2019 CSR 2 SUB PART 3 SE 2020 CSR 2 SUB PART 1 SE 2020 CSR 2 SUB PART 3 SE 2023 CSR 4 SUB PART 5
CSR D – Decarbonization, energy, circular economy, water.	Reduce global dependence on fossil fuels. Promote investment in wind, solar and hydrogen. Modernise electricity transmission, storage and distribution networks. Encourage the energy efficiency of buildings. Promote the circular economy. Improve water management by implementing an integrated and sustainable management strategy.	SE 2019 CSR 3 SUB PART 3 SE 2020 CSR 3 SUB PART 4 SE 2022 CSR 1 SUB PART 2 SE 2022 CSR 3 SUB PART 1 SE 2022 CSR 4 SUB PART 1 SE 2022 CSR 4 SUB PART 2 SE 2022 CSR 4 SUB PART 3 SE 2022 CSR 4 SUB PART 4 SE 2022 CSR 4 SUB PART 5 SE 2022 CSR 4 SUB PART 6 SE 2023 CSR 3 SUB PART 1 SE 2023 CSR 4 SUB PART 1 SE 2023 CSR 4 SUB PART 2 SE 2023 CSR 4 SUB PART 3 SE 2023 CSR 4 SUB PART 4 SE 2024 CSR 3 SE 2024 CSR 4

¹⁴ The country-specific recommendations (CSRs) addressed to Portugal for 2019-2024 were analysed according to their ranking to determine their relevance. In this sense, sub-CSRs classified as "substantial progress" and "total implementation" were excluded, as were exclusively budgetary sub-CSRs. Subsequently, these were grouped and synthesized into four summary CSRs, the names and formulations of which are part of this table.

Table I.2. Alignment of the strategic challenges of the GOs 2024-2028 with the Country-Specific Recommendations addressed to Portugal

Strategic challenges	Country-Specific Recommendations for Portugal (summary version)			
	CSR A – Finance, social protection, health and care	CSR B – Investment, funds, competitiveness, infrastructure	CSR C – Employment, STEM graduates, digital skills and green transition	CSR D – Decarbonization, energy, circular economy, water
A fairer and more supportive country	●●●	●	●●●	
A more prosperous, more innovative and competitive country		●●●	●●●	●
A country with a more efficient State	●●●			
A more democratic, open and transparent country	●●	●●	●	●
A greener and more sustainable country	●●	●●●	●●	●●●
A more global and humanist country		●●		

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

Table I.3. Alignment of the strategic challenges of the GO 2024-2028 with the Sustainable Development Goals (SDGs)

		Strategic Challenges					
		A fairer and more supportive country	A more prosperous, more innovative and competitive country	A country with a more efficient State	A more democratic, open and transparent country	A greener and more sustainable country	A more global and humanist country
	1 - No Poverty	●				●	
	2 - Zero Hunger					●	
	3 - Good Health and Well-Being	●	●	●	●	●	
	4 - Quality Education	●	●		●	●	
	5 - Gender Equality	●					
	6 - Clean Water and Sanitation					●	
	7 - Affordable and Clean Energy					●	
	8 - Decent work and economic growth	●	●	●	●	●	●
	9 - Industry, Innovation and Infrastructure		●	●		●	
	10 - Reduce inequalities	●	●				●
	11 - Sustainable cities and communities	●	●			●	●
	12 - Responsible consumption and production			●		●	
	13 - Climate Action					●	
	14 - Life Below Water		●			●	●
	15 - Life on land				●	●	
	16 - Peace, Justice and Strong Institutions	●	●	●	●	●	●
	17 - Partnership for the goals	●	●	●	●	●	

● Contribution of the strategic challenge to the SDG targets¹⁵

¹⁵ The policy measures identified in the strategic challenges of the 2024-2028 GO potentially contribute to the 17 SDGs, and most of them are aligned with at least one of the SDG targets. The strategic challenge "A greener and more sustainable country" should be highlighted, as it contributes to more SDGs (15 out of 17).

It should also be noted that SDGs 8 (Decent Work and Economic Growth) and 16 (Peace, Justice and Effective Institutions) are impacted across all strategic challenges, followed by SDG 3 (Quality Health) and 17 (Partnerships for the Implementation of the Goals). On the other hand, a set of SDGs contributes to pursuing their goals from policy measures inscribed only in a strategic challenge (SDGs 2, 5, 6, 7 and 13).

Table I.4. Aligning the strategic challenges of the GOs 2024-2028 with the European Pillar of Social Rights

European Pillar of Social Rights	Strategic Challenges					
	A fairer and more supportive country	A more prosperous, more innovative and competitive country	A country with a more efficient State	A more democratic, open and transparent country	A greener and more sustainable country	A more global and humanist country
1. Education, training and lifelong learning	●●●	●●●	●●●	●●●	●●●	●●●
2. Equality between women and men	●●●	●●	●●	●●	●●	●●
3. Equal opportunities	●●●	●●	●●	●●	●●●	●●
4. Active support for employment	●●	●●●	●●	●●●	●●●	●●●
5. Secure and adaptable employment	●●	●●●	●●	●●●	●●	●●
6. Salaries	●●●	●●●	●●●	●●	●●	●●●
7. Information on employment conditions and protection in the event of dismissal	●●	●	●●●	●	●	●
8. Social dialogue and worker participation	●●●	●	●●●	●●	●	●●
9. Work-life balance	●●●		●	●●		●●
10. Healthy, safe and well-adapted working environment and data protection	●	●●●	●●●	●●●	●	●●●
11. Childcare and support	●●●		●		●	●●
12. Social protection	●●●	●	●●●	●	●	●●
13. Unemployment benefits	●●●	●	●	●	●	●
14. Minimum income	●●●	●	●	●	●	●
15. Old-age benefits and pensions	●●●	●	●●	●	●	●●●
16. Health care	●●●		●●●		●●	●
17. Inclusion of persons with disabilities	●●●	●	●	●	●	●
18. Long-term care	●●●		●●			
19. Housing and assistance for the homeless	●●●				●●●	●●●
20. Access to essential services	●●●	●●	●●●	●●●	●●●	●●●

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

Table I.5. Aligning the components of the RRP with the EU's common priorities

RRP Components		Common EU Priorities			
		Fair green and digital transition	Social and economic resilience	Energy security	Strengthening defence capabilities
Resilience	Component 1 – National Health Service	●	●●●		
	Component 2 – Housing	●●	●●●		
	Component 3 – Social Responses	●	●●●		
	Component 4 – Culture	●	●		
	Component 5 – Capitalization and Business Innovation	●●●	●●●	●●	
	Component 6 – Qualifications and Skills		●●●		
	Component 7 – Infrastructure		●●●		
	Component 8 – Forests	●●			
	Component 9 – Water Management	●●●		●●●	
Climate Transition	Component 10 – Sea	●●●		●	●
	Component 11 – Decarbonisation of Industry	●●●	●●	●●●	
	Component 12 – Sustainable Bioeconomy	●●●	●●		
	Component 13 – Energy Efficiency in Buildings	●●●		●	
	Component 14 – Hydrogen and Renewables	●●●		●●●	
	Component 15 – Sustainable Mobility	●●●		●●	
Digital Transition	Component 21 – RepowerEU	●●●		●●●	
	Component 16 – Enterprise 4.0	●●	●●●		
	Component 17 – Quality and Sustainability of Public Finances	●●●	●●●		
	Component 18 – Economic Justice and Business Environment	●●●	●●●		
	Component 19 – Public Administration (Capacity Building, Digitalisation and Interoperability and Cybersecurity)	●●●	●●●		
	Component 20 – Digital School	●●●	●●●		

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

Table I.6. Alignment of the components of the RRP with the Country-Specific Recommendations addressed to Portugal

RRP Components		Country-Specific Recommendations for Portugal (summary version)			
		CSR A – Finance, social protection, health and care	CSR B – Investment, funds, competitiveness, infrastructure	CSR C – Employment, STEM graduates, digital skills and green transition	CSR D – Decarbonization, energy, circular economy, water
Resilience	Component 1 – National Health Service	●●●			●
	Component 2 – Housing	●●		●	●
	Component 3 – Social Responses	●●●		●	●
	Component 4 – Culture			●	●
	Component 5 – Capitalization and Business Innovation		●●●	●●●	●●
	Component 6 – Qualifications and Skills	●	●●	●●●	●●
	Component 7 – Infrastructure		●●●		●
	Component 8 – Forests	●			●
	Component 9 – Water Management				●●●
Climate Transition	Component 10 – Sea		●●	●●	●●●
	Component 11 – Decarbonisation of Industry		●●		●●●
	Component 12 – Sustainable Bioeconomy		●●●		●●●
	Component 13 – Energy Efficiency in Buildings				●●●
	Component 14 – Hydrogen and Renewables				●●●
	Component 15 – Sustainable Mobility		●●		●●●
	Component 21 – RepowerEU		●●		●●●
Digital Transition	Component 16 – Enterprise 4.0		●●●	●●●	
	Component 17 – Quality and Sustainability of Public Finances	●●●			
	Component 18 – Economic Justice and Business Environment		●		
	Component 19 – Public Administration (Capacity Building, Digitalisation and Interoperability and Cybersecurity)	●●●		●●	
	Component 20 – Digital School			●●●	

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

Table I.7. Aligning the 2030 agendas with the EU's common priorities¹⁶

Thematic Agendas of the Portugal 2030 Strategy	Common EU Priorities			
	Fair green and digital transition	Social and economic resilience	Energy security	Strengthening defence capabilities
Agenda 1: People First: Better Demographic Balance, Greater Inclusion, Less Inequality	●	●●●		
Agenda 2: Digitalisation, Innovation and Skills as drivers of knowledge	●●●	●●●	●	
Agenda 3: Climate transition and resource sustainability	●●●	●	●●●	
Agenda 4: A country that is externally competitive and internally cohesive	●●	●●	●	

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

Table I.8. Alignment of the 2030 Strategy agendas with the Country-Specific Recommendations addressed to Portugal

Thematic Agendas of the Portugal 2030 Strategy	Country-Specific Recommendations for Portugal (summary version)			
	CSR A – Finance, social protection, health and care	CSR B – Investment, funds, competitiveness, infrastructure	CSR C – Employment, STEM graduates, digital skills and green transition	CSR D – Decarbonization, energy, circular economy, water
Agenda 1: People First: Better Demographic Balance, Greater Inclusion, Less Inequality	●●●	●	●●	
Agenda 2: Digitalisation, Innovation and Skills as drivers of knowledge	●●	●●●	●●●	●
Agenda 3: Climate transition and resource sustainability	●	●●	●	●●●
Agenda 4: A country that is externally competitive and internally cohesive	●	●●	●	●

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

¹⁶ Table 16 shows that the alignment of the GOs is transversal with the shared priorities of the EU, except for defence capacity building. Specifically, considering the strategic areas that make up agenda 1, it was possible to identify a relevant direct contribution to the pillar of social and economic resilience. In Agenda 2, the pertinent direct contribution occurs in the priority related to the ecological and digital transition and social and economic resilience. In Agenda 3, there is a very relevant direct alignment with the priority for the green and digital transition, as well as for energy security, namely, the strategic area relating to the decarbonisation of society and the promotion of the energy transition. Given its territorial dimension, agenda 4 is transversally aligned – indirect or direct – with the priorities indicated.

Table I.9. Aligning the PEPAC axes with the EU's common priorities

PEPAC Axes	Common EU Priorities			
	Fair green and digital transition	Social and economic resilience	Energy security	Strengthening defence capabilities
Axis A – Yield and sustainability	●●●	●●●		●●
Axis B – Integrated sectoral approach	●●●	●		
Axis C – Rural development	●●●	●●●	●	●
Axis D – Integrated territorial approach	●●	●		

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

Table I.10. Aligning the PEPAC axes with the Country-Specific Recommendations addressed to Portugal

PEPAC Axes	Country-Specific Recommendations for Portugal (summary version)			
	CSR A – Finance, social protection, health and care	CSR B – Investment, funds, competitiveness, infrastructure	CSR C – Employment, STEM graduates, digital skills and green transition	CSR D – Decarbonization, energy, circular economy, water
Axis A – Yield and sustainability	●●	●	●●●	●●
Axis B – Integrated sectoral approach		●	●	●
Axis C – Rural development	●●	●●	●●●	●●
Axis D – Integrated territorial approach		●●		●●

- Indirect contribution
- Relevant direct contribution
- Very relevant direct contribution

Table I.11. Context indicators "A fairer and more supportive country"

Context Indicators		Unit of Measure	Portugal			Indicator evolution PT
			2010	2015	2023	
Life expectancy at birth		Ano	80,10	81,30	82,40	
Crude birth rate		%	9,20 (2011)	8,20	8,10	
Employment rate of population aged between 20 and 64 years old		%	66,60 (2011)	67,90	78,00	
Gender pay gap (in unadjusted form)		%	12,80	16,00	12,50 (2022)	
Healthy life years at 65 years		Ano	6,40	6,10	7,90 (2022)	
At-risk-of-poverty rate after social transfers		%	17,90	19,50	17,00	
Permanent emigrants of Portuguese nationality		N.º	21 796	39 847	29 523 (2022)	
Monthly average base salary (€)	25 - 34 years	€	812,20	791,21	997,28 (2021)	
	55 - 64 years	€	1 036,92	1 027,11	1 108,45 (2021)	
Practitioners affiliated to sport federations		N.º	522 433	566 366	686 214 (2022)	

Source: INE - Statistics National; EUROSTAT.

Notes: "-" Data Not Available; Updated at 30/08/2024.

Table I.12. Context indicators "A more prosperous, more innovative and competitive country"

Context Indicators	Unit of Measure	Portugal			Indicator evolution PT
		2010	2015	2023	
Adjusted gross disposable income of households per capita	€ (10 ³)	16,41	16,57	23,00 (2023)	
Productivity (real GDP per worker) (*)	€	39 141	39 949	42 511 (2023)	
Global context cost indicator	1 - 5	3,04 (2014)	3,05 (2017)	3,09 (2021)	-
Exports of goods and services in % of GDP	%	30,10	40,60	47,40 (2023)	
Inward Foreign Direct Investment (FDI) (Excl. SPE)	€ (10 ⁶)	-	1,40 (2019)	1,76 (2023)	
Capital ratio (corporations)	%	30,15	31,26	40,06	
Innovation Profile (European Innovation Scoreboard)	Classificação	-	87,50 (2016)	91,80 (2024)	
Proportion of gross expenditure on research and development (%) in GDP	%	1,54	1,24	1,70	
Population aged 30-34 with tertiary educational attainment level	%	24,00	31,90	39,20 (2023)	

Source: INE - Statistics National; European Commission; Banco de Portugal; EUROSTAT; DEGEC.

Notes: (*) Calculation based on National Statistics – National Accounts; "-" Data not available; Updated at 30/08/2024.

Table I.13. Context indicators "A country with a more efficient state"

Context Indicators		Unit of Measure	Portugal			Indicator evolution PT
			2010	2015	2023	
Digital public services for citizens		0 - 100	-	79,33 (2017)	81,54	
Digital public services for businesses		0 - 100	-	90,00 (2017)	91,94	
Current health expenditure - Public administrations		€ (10 ⁶)	12,56	10,79	17,05 ^(Pe)	
Users Registered in Primary Health Care (%)	Norte	%	-	98,77 (2016)	97,57	
	Centro	%	-	97,27 (2016)	85,08	
	Lisboa e Vale do Tejo	%	-	83,31 (2016)	70,13	
	Alentejo	%	-	96,52 (2016)	82,12	
	Algarve	%	-	84,10 (2016)	77,65	
Nurses and Doctors of the National Health Service ^(*)	Nurses	N.º	-	38 472	50 550	
	Doctors	N.º	-	25 246	31 307	

Source: INE - National Statistics; EUROSTAT; Shared Services Ministry of Health (SPMS); European Commission (DESI).

Notes: "-" Data not available. (Pe) = Preliminary data. (*) Total National, base on data from SPMS. Calculation by PlanAPP. Updated at 30/08/2024.

Table I.14. Context indicators "A more democratic, open and transparent country"

Context Indicators		Unit of Measure	Portugal			Indicator evolution PT
			2010	2015	2023	
Disposition time	Civil cases	Day	-	824	576	
	Labour cases	Day	-	234	243	
	Criminal cases	Day	-	227	233	
People who tend to trust	in Government (*)	%	62,80	55,00	47,60 (2024)	
	in the Justice System (**)	%	73,10	77,70 (2016)	82,80 (2024)	
	in Police (**)	%	82,40	84,30 (2016)	60,30 (2024)	
	in Media (***)	%	-	56,70 (2017)	68,60 (2024)	
Road accidents with victims		N.º	-	35 585	34 276 (2022)	
Proportion of burnt area		%	1,60	0,70	0,40	

Source: INE - National Statistics; Eurobarometer.

Notes: (*) The following number of the Eurobarometer were considered: 74.2, 76.3, 78.1, 80.1, 82.3, 84.3, 85.2, 87.3, 89.1, 91.5, 93.1, 95.3, 97.5, 99.4 e 101.3; (**) The following number of the Eurobarometer were considered: 74.2, 82.3, 85.2, 87.3, 89.1, 91.5, 93.1, 95.3, 97.5, 99.4 e 101.3; (***) The following number of the Eurobarometer were considered: 87.2, 89.1, 91.5, 93.1, 95.3, 97.5, 99.4 e 101.3; "-" Data not available; Updated at 30/08/2024.

Table I.15. Context indicators "A greener and more sustainable country"

Context Indicators	Unit of Measure	Portugal			Indicator evolution PT
		2010	2015	2023	
Share of renewable energy in gross final energy consumption	%	24,20	30,50	34,70	
Proportion of municipal waste prepared for reuse and recycling	%	25,30 (2012)	36,10	38,00 (2020)	
Greenhouse gases (CO2, N2O in CO2 equivalent, CH4 in CO2 equivalent, HFC in CO2 equivalent, PFC in CO2 equivalent, SF6 in CO2 equivalent, NF3 in CO2 equivalent) - Total (excluding memo items) (*)	kt CO ₂ eq.	62 400,21	63 890,13	50 456,99	
Proportion of irrigated area on irrigable agricultural area	%	87,00 (2013)	87,00 (2016)	90,00 (2019)	-
Proportion of forest intervention areas (Portugal mainland)	%	9,10 (2011)	10,30	21,00	
Modal split of inland passenger transport	Buses	6,50	5,80	7,60	
	Trains	4,40	4,20	4,00	
Housing cost overburden rate	%	4,20	9,10	4,90 (2023)	
Unbilled water in low systems (**)	%	30,70 (2011)	29,80	27,10	

Source: INE - National Statistics; EUROSTAT; ERSAR.

Notes: (*) Items in the memo include the transport and storage of CO₂, international aviation and navigation and multilateral operations; (**) Non-revenue water in low systems gives an indication of water efficiency and losses in the system, with a positive reduction; "-" Data not available; Updated at 30/08/2024.

Table I.16. Context indicators "A more global and humanist country"

Context Indicators	Unit of Measure	Portugal			Indicator evolution PT
		2010	2015	2023	
High-tech exports	%	3,07 (2011)	3,81	5,18	
Exports + Imports with CPLP countries (*)	€ (10 ⁹)	7 178,81	9 372,49	11 185,30 (2023)	
FDI from CPLP countries (*)	€ (10 ⁹)	2 914,27	5 180,92	6 516,57 (2023)	
Electoral participation of those registered in Europe and Outside Europe constituencies	presidential elections	5,54 (2011)	4,69 (2016)	1,88 (2021)	-
	legislative elections	16,94 (2011)	11,68	21,56 (2024)	-
	european elections	-	2,09 (2014)	1,99 (2024)	-
Defense Spending in GDP	%	1,90	1,00	0,70	
Number of personnel in the Armed Forces	N.º	34 514 (2011)	29 178,00	23 316 (2023)	
Demographic evolution - migration balance	N.º	3 184	-10 453	155 701 (2023)	

Source: EUROSTAT; MAI; DGAEP; Banco de Portugal.

Notes: (*) Calculation based on Banco de Portugal data; "-" Data not available; Updated at 30/08/2024.

Annex II – Discussion of the impacts of reforms and investments

Introduction

This annex provides a brief analysis of the potential impacts on economic activity, resilience, and sustainability of most of the reforms and investments in the National Medium-term Fiscal-Structural Plan. This exercise thus responds to the European Commission's guidance to Member States on the information requirements for this plan.

The analysis consists of a first reflection on the potential impacts of most of the measures included in the plan. It is based on evidence from the literature considered relevant to the exercise. Considering the diversity and complexity of the topics analyzed and the vast number of published studies related to them, this analysis does not aim to cover the entirety of the literature on each subject, so some of the effects may need to be addressed. It should be noted that this is the first analysis that seeks to give relevance to the main impacts of a wide range of measures contained in this plan, but it does not constitute a detailed analysis of each of them.

The investments and structural reforms envisaged come in a context where it is necessary to respond to the challenges of the twin digital and green transitions and strengthen the country's social and economic resilience, energy security, and defence capabilities to strengthen the Union's defence capacity. Based on this framework, the following analysis is divided into the six challenges identified in the plan: i) A fairer and more supportive country, ii) A more prosperous, more innovative and competitive country, iii) A country with a more efficient state, iv) A more democratic, open and transparent country, v) A greener and more sustainable country and vi) A more global and humanist country.

A fairer and more supportive country

Childcare centres are crucial in tackling social inequalities early in life (Lancker & Ghysels, 2016). In this sense, guaranteeing universal and free access to crèches and preschool aims at equal opportunities for children and the balance between parents' professional and family life. In this context, the studies analyzed indicate that the Government's involvement in the availability, accessibility and quality of service provision contributes positively to reducing inequality in daycare centres (Lancker & Ghysels, 2016). Green et al. (2021) suggest that universal access to childcare for children under three can reduce socioeconomic inequalities and improve their socio-emotional, cognitive, and physical well-being. The same study also states that children whose parents have fewer qualifications benefit more from access to daycare centres. Universal and free access to childcare can affect family planning in the sense that it can contribute to families' decisions on when and how many children to have (PlanAPP, 2023). The same study also refers to the measure's impact on the potential savings of families to ensure, regardless of the economic context, a greater reconciliation between work and family life (PlanAPP, 2023).

In higher education, the measure that pays attention to the socioeconomic situation of students aims to ensure the student's quality of life, equity and school success, with a particular focus on mental health problems. Equitable education enables success based on abilities rather than socio-economic background, producing better academic performance (OECD, 2012). In this sense, the scholarship for higher education students reduces the probability of immediate withdrawal from higher education, positively affects academic

performance and the probability of completing the course within the regular deadline, and increases the likelihood of students progressing to higher levels of education. In turn, the loss of the scholarship in subsequent years has negative impacts on the probability of permanence in the course, completion within the regular deadline or even its completion (AD&C, 2020).

The measure that aims to increase the minimum wage in Portugal seeks to enhance the effect of mitigating poverty and inequality. Between 2006 and 2019, the actual increase in the National Minimum Wage not only explains 40% of the rise in the average wage but also contributed to the reduction of wage inequality in Portugal (Oliveira, 2021). Exceptionally high in low-wage sectors, Campos Lima et al. (2021) positively correlate the redistributive impact of increasing the minimum wage with the decrease in wage inequality. Caliendo & Wittbrodt (2002) also point out the importance of the minimum wage in reducing wage inequality between men and women.

The design of upskilling and reskilling programs adapted to the needs of the labour market, including the possibility of a career change, is one of the state reforms analyzed. In this context, studies indicate that the digital and green transition may change the functions performed in the workplace and may require a new set of skills, and education and training systems should be aligned with these new labour market needs (OECD, 2023a). Participation in reskilling and up-skilling training actions can reinforce workers' skills needed for the latest needs of the labour market, enhancing productivity gains (OECD, 2023a). Reskilling programmes can also improve the transition of workers from fossil fuel sectors, which are expected to reduce in the future, to greener sectors (Asikainen et al., 2021).

A more prosperous, more innovative and competitive country

The implementation of a national digital strategy in Portugal aims to position the country at the forefront of innovation, digital transformation, and market expansion for companies, with a comprehensive vision that will last until 2030. This strategy, articulated around four main dimensions – People, Companies, State and Infrastructure – seeks to improve digital skills, foster business transformation, modernise public administration and create conditions for an accelerated digital transition. In this sense, Bocean & Vărzaru (2023) highlight that accelerating investments in ICT can enhance innovation, economic growth and competitiveness. Adopting digital tools through automation, data analytics, and innovation is essential in predicting economic performance. Emerging digital technologies are also instrumental in developing sustainable manufacturing and infrastructure (Rosário & Dias, 2022).

At the business level, the digital transition is expected to increase productivity, reduce costs and facilitate access to global markets (Bocean & Vărzaru, 2023). Environmentally, digitalization can support sustainable urban development, pollution control, and resource efficiency, enabling economies to transition to circular and digital sharing models (Rosário & Dias, 2022). The Strategy in question can address the complexities and risks of digitalization, including economic tensions, technological challenges and regulatory obstacles (identified in the literature, e.g. Uzule & Verina, 2023; Rosário & Dias, 2022). Socially, the strategy addresses the digital divide and aims to develop the digital skills of the population, which can contribute to changing lifestyles and improving the quality of life in general (Rosário & Dias, 2022). Other benefits include combating inequalities and reducing poverty (Rosário & Dias, 2022).

The measures related to ensuring the implementation of the Recovery and Resilience Plan (RRP) through the reinforcement of human resources in the Recover Portugal Mission Structure in the various areas of action, as well as a more excellent articulation of the work leading to the implementation of the RRP and PT2030,

aimed to ensure compliance with the deadlines for the implementation of the Plan and accelerated and full implementation of the funds. As the OECD's Economic Outlook report (2023b) highlights, the Plan's reforms and investments boost growth through more effective public sector management, green infrastructure, and greater skills acquisition. Ensuring the full implementation of the RRP will maximise the benefits.

As part of the financing to companies, a capitalization fund for start-ups and venture capital funds will be launched to mitigate problems of economic growth and exports and promote the development of the venture capital industry with scale and depth, filling market failures. The evidence analysed shows that start-ups play an important economic role, as they can contribute, among others, to the growth of innovation, namely through more disruptive innovations introduced to the market (Henderson et al., 1990; OECD, 2015) and through an increase in competitive pressure in some industries (Aghion et al., 2009), as well as for employment growth (Criscuolo et al., 2017; Calvino et al., 2016), but their entry and activity may be restricted by difficulties in accessing financing (Calvino et al., 2016; Aghion et al., 2007). According to the literature, the lack of access to financing by companies can restrict, among others, investment in innovative projects and improvements in company productivity (Calvino et al., 2016), as well as in internationalization projects (Chaney, 2016). In addition, the evidence collected indicates that financing for companies may be affected by asymmetric information problems, particularly for new companies and innovative ventures. In addition, some types of financing can be particularly relevant in the early stages of development, such as financing and venture capital funds (Calvino et al., 2016), and that can enhance the growth of new companies (Davila et al., 2003). In this way, the measures foreseen in the plan can promote greater access to finance, which, as evidenced in the literature analysis, is a relevant condition for the activity of start-ups.

Regarding tax reforms, implementing a gradual reduction in corporate income tax is planned, which aims to stimulate companies' investment capacity, make the national market more attractive to foreign investors, boost economic growth and improve wages. According to the studies analysed, corporate income taxes such as corporate income tax, despite the potential advantages associated with their use (OECD, 2007a), can cause distortions in the decisions of economic agents (Johansson et al., 2008). The agents' decision can also be influenced by the design of the tax and the combination of the different types of taxes used to obtain the revenue (Johansson et al., 2008), and this analysis will not address the latter factors.

The studies analysed indicate that a reduction in corporate income tax can reduce existing distortions and their adverse effects. In particular, a higher corporate income tax may be associated with a higher equity-financed cost of investment, which will be reflected in a lower level of investment financed in this way (OECD, 2007b). In addition, Johansson et al. (2008) report that this tax, by reducing the return on investments net of taxes, may hurt companies' investment decisions, including FDI levels. Álvarez-Martínez et al. (2019), using the CORTAX model¹⁷, simulate a reduction in corporate income tax applied to only one country (test carried out for Ireland and Germany) and conclude that it can reduce the cost of capital, increasing the capital stock in the economy, with potentially positive effects on production, with the impact being more significant in a small economy when compared to those of a large economy (which may be related to the effects of agglomeration and a greater preference for domestic investments) and may also reduce the diversion of profits abroad. Pereira and Rodrigues (2002) studied a tax reduction in Portugal. They found a positive effect on economic growth and investment, indicating that the effects may vary depending on the chosen financing option.

On the other hand, Feld and Heckemeyer (2011) conducted a meta-analysis of studies on the impact of

¹⁷ The CORTAX model is a CGE (Computable General Equilibrium) model authored by the Joint Research Centre, European Commission, to assess the effects of corporate income tax reforms in the European Union of 27.

corporate income taxes and the level of FDI. They concluded that there is an inverse and significant relationship between the two components. Additionally, the literature analyzed suggests that a possible increase in FDI may promote technology transfers and knowledge spillovers, with potentially positive effects on the productivity of domestic firms (Johansson et al., 2008). However, the impact on FDI may also depend on other factors determining decisions regarding this type of investment, including the taxes charged by other countries (OECD; 2007a; Álvarez-Martínez et al., 2019). Johansson et al. (2008) also report that reducing corporate income tax could lead to productivity gains, which are exceptionally high for the most dynamic and profitable firms, contributing most to economic growth. The OECD (2007b) also states that, although the tax is applied to corporate income, the burden may not be borne entirely by capital, which may, depending on the characteristics of the market in which the companies operate, also be borne by the labour factor, which may be associated with lower wage levels (although the effect may be partially offset by more intensive use of this factor) and by consumers, when it is reflected in the sales prices practised. In particular, Felix (2009) identifies, for the United States, an inverse relationship between wage developments and an increase in corporate income tax, particularly on the wages of workers with higher levels of education. It is, therefore, possible that a reduction in the tax charged may also have effects on these dimensions.

Institutional and heritage resilience and the sustainability of cultural heritage are objectives that aim to be achieved through the revision of management models and legislation. Evolving international legislation and frameworks allow better integration of cultural heritage preservation into disaster risk reduction strategies (MacAlister, 2015). Heritage also has a relevant role, through tourism, in economic stability and in promoting the resilience of infrastructures (Kamran, 2020). Yang et al. (2021) highlight the relevance of local communities' voluntariness and commitment to preserving traditional landscapes.

In education, the progression of learning and equal opportunities in access to higher education are some of the objectives of the A+A recovery plan, "Learn More Now". The plan seeks to improve learning through preventive and remedial tutoring. In this context, the literature suggests that the provision of differentiated education adapted to the learning needs of students, namely through individual or small group tutoring, can be particularly effective in bridging skills disparities (Mineia-Pic, A., 2023; Nickow et al., 2020). The plan also envisages boosting autonomous study through an improved platform. In this context, evidence suggests that digital tools can help different groups of students improve their academic performance through greater flexibility and personalization in learning (Gottschalk & Weise, 2023). Additionally, considering that, on average, immigrant students performed 32 points below non-immigrants (OECD, 2023c), the importance of improving the school success indicators of migrant students included in the objectives of this measure is highlighted. It should also be noted that according to the European Commission's report (2023), it is the countries with the lowest levels of accumulated expenditure per student that benefit the most from an increase in investment in education (the average annual spending per student in Portugal is below the average of OECD countries).

Additionally, referred to as a global problem, the shortage of teachers is exacerbated by declining working conditions, limited career prospects, and insufficient pay (Flores, 2023). Among other factors, salary and work environment are critical in attracting and retaining educators (Ashiedu & Scott-Ladd, 2012; Howes & Goodman-Delahunty, 2015). The OECD (2005) also points out that teachers' salaries affect the quantity and quality of those who enter the profession. The measure to review the career and evaluation regime of teachers in primary and secondary education is in line with the value of the teaching career and seeks to respond to the shortage of professionals.

A country with a more efficient state

The reform of the State in the dimension of data interconnection between the Tax Authority, Social Security and the Institute of Registries and Notaries aims to increase efficiency and transparency in public administrations. Government interoperability can significantly improve service delivery and reduce operational costs (Jiménez et al., 2014). In addition, connecting diverse data sources can accelerate innovation in public services and increase effectiveness in fraud detection and tax collection (Campmas et al., 2022; Mahmoud et al., 2019). However, challenges such as low digital literacy, social disparities, and legal and institutional obstacles, including a lack of cooperation between public bodies, may limit the success of this initiative (Campmas et al., 2022). These challenges, common to other initiatives involving digitalisation and interoperability between agencies, are being taken into account, namely through measures included in the GO bill aimed at increasing digital literacy (e.g. for reskilling workers and adapting work organisation to new technologies) and more excellent articulation between public bodies (e.g. concentration of most of the Government in a single physical space).

The measure, which aims to ensure the reporting, by relevant companies, for the sake of transparency and consistency, of their public service obligations and sustainability practices, aims to contribute positively to the Sustainable Development Goals (SDGs), Corporate Sustainability, Equity and Social Inclusion. Regarding regulations mandating the disclosure of environmental, social and governance information, evidence shows that disclosure of information has increased due to regulation, significantly improving disclosure and transparency practices among affected companies (Ioannou & Serafeim, 2017; Serafeim, 2014). Studies in several countries show that companies subject to similar regulations are more likely to seek guarantees and adopt monitoring guidelines, contributing to greater credibility and comparability of their disclosures (Ioannou & Serafeim, 2017; Serafeim, 2014). Notably, the increase in sustainability disclosure driven by regulations is associated with higher valuations of companies, indicating potential benefits for shareholders (Ioannou & Serafeim, 2017; Serafeim, 2014).

On the other hand, implementing the Accounting Standardization System for Public Administrations (SNC-AP) focuses on resolving fragmentation and inconsistency in public accounting practices in Portugal. The efficiency adjacent to the coherent aggregation of information, through the standardization of information systems, allows the construction of economic and financial indicators, which enable the Government to act at the different levels of political measures (Unileo, 2018).

In health, the definition of a Multiannual Investment Plan (PPI) for the NHS aims to improve health care through the technological modernization of health units, serving as an accelerator of the digital transition. The digital transition in healthcare can boost private investment, create new forms of value, foster innovation, increase operational efficiency, and empower patients (Kraus et al., 2021). However, data privacy concerns, regulatory uncertainties, and socio-economic disparities in access to services due to digital illiteracy remain relevant (Cummins & Schuller, 2020) and should be considered.

A more democratic, open and transparent country

In the context of justice reform, measures are planned to support its digital transition, which should allow for a better allocation of human resources and a procedural transformation that simplifies processes and procedures. Technological reinforcement aims to ensure the adequacy of the currently existing information systems and speed up the judicial processing of cases, aiming for a faster, more effective, and more resilient

system to benefit citizens and economic agents. In this context, the construction and strengthening of ICT infrastructure should promote digital transformation. According to Chatziioannou and Giannakourou (2024), this transition can promote the efficiency, transparency, and accessibility of justice. The more accessible and more equitable access to justice provided by digital media is supported by the literature (e.g., Lupo & Bailey, 2014). Also, in justice, the paradigm shift in insolvency and business recovery regimes aims to speed up the processing and judicial decisions, thus stimulating economic and business development. The speed of the processes is crucial for safeguarding the stakeholders' interests and reallocating productive resources (Pereira & Wemans, 2022).

The plan also provides for the elaboration and implementation of a national strategy for education and media literacy, with a view to promoting the development of citizens' critical, analytical and creative skills in relation to the media and information. In this context, the studies analysed indicate that this type of measures can contribute to strengthening society's resilience to the risks of disinformation and false information and can prepare the population to deal with false and misleading content, allowing them to participate in this environment with discernment and a critical approach (OECD, 2024). In addition, the literature identifies several risks related to the rapid and global spread of false information and disinformation. There are risks, in particular, about the free exchange of information based on facts that underpin democratic debate, and according to Lewandowsky et al. (2023), democracy depends on a set of knowledge shared among citizens, in particular, reliable knowledge to inform policy debates. In this context, the space for sharing digital information, controlled by a few actors without much supervision, which brings new challenges (Lewandowsky et al., 2020), is relevant. There are also pertinent other risks related to the rapid and global spread of false information and disinformation, such as the possibility of undermining social cohesion, casting doubt on fact-based information, undermining trust in public institutions (OECD, 2021), and potentially posing challenges in policy implementation (OECD, 2024; Lewandowsky et al., 2023).

A greener and more sustainable country

In the area of the environment, the reform regarding the regulation and implementation of various aspects of the Basic Climate Law seeks to deepen climate policy in the country in an intersectoral way. On the other hand, the revision of the National Energy and Climate Plan (PNEC 2030) intends, through a set of more ambitious measures, to contribute to reducing greenhouse gas (GHG) emissions by 55% compared to 2005 levels (originally it had a target of a reduction of 45% to 55%) and to reinforce Portugal's commitment to reducing energy dependence from abroad, in increasing energy efficiency, decarbonising industry, security of supply and sustainable mobility.

National studies reveal that Portugal is particularly vulnerable to climate change, with the climate projected to be hotter and drier on average and that extreme temperatures and heat waves will be more frequent and prolonged, increasing the risk of hydrological and agricultural droughts and forest fires (Soares et al., 2024a). Portugal is also exposed to climate change at the level of its coastline, and an increase in coastal erosion and flooding may be observed. In the study by Soares et al. (2024b), it was possible to identify three major groups of risks for Portugal that may be associated with climate change, and, in general, the risks identified are reduced for scenarios where lower levels of GHG emissions are assumed and in scenarios where adaptation measures are implemented. The first refers to economic risks (e.g., lower productivity of agricultural production, risks in the production and distribution of electricity, and risks in access to water). The second is the risks to the integrity of buildings and infrastructures (e.g., risks of damage from extreme events, such as fires and rising sea levels). The third group is the risks to the populations in terms of their comfort, health

and mortality (e.g., food and water security risks, disease risks and mortality associated with heat waves, which may be higher for more vulnerable segments of the population).

It is mentioned that the reinforcement of climate change mitigation measures implies higher initial investments than other options. However, they have the benefit of preventing damage caused by climate change and reducing adaptation costs (IPCC, 2023) in addition to contributing to the reduction of dependence on fossil fuels by Portugal and the EU and positioning the country and European space at the forefront of these technologies (additional details can be found in the section on energy transition).

The reform and investments relating to the development of the "Water that Unites" Strategy, the development of specific programmes to reduce actual water losses in the supply networks and programmes to increase the use of treated wastewater also seek to respond to the impact of climate change, in particular in terms of water availability in the face of increased drought episodes, mitigate water scarcity and promote efficient water use. For this theme, the studies analyzed reveal that water availability will worsen in the coming decades (Soares et al., 2024c). The scarcity of water resources may be associated with the risk of negative impacts on the agriculture sector in terms of the productivity of different crops (which may hurt the availability of food for consumption), in terms of energy production and other products, as well as in terms of domestic use (EEA, 2024a).

Specifically for Portugal, it is mentioned that the annual economic losses resulting from the scarcity of water resources may be significant, which can be mitigated by implementing adaptation measures that reduce the gap between the supply and demand of this resource (Soares et al., 2024b). Some of the measures mentioned include reducing losses and leaks in the supply network and increasing water reuse and recycling, in addition to more specific measures for the agricultural sector (Soares et al., 2024d). The mitigation of impacts may allow greater resilience of the economy and society to anticipated changes in water resources. In addition, measures that focus on demand management, supply of alternative (and circular) water resources and nature-based solutions can enable more sustainable management of this resource (EEA, 2021).

As part of the regenerative waste policy, the circular economy reform aims to promote resource efficiency and the circular economy. The studies analyzed indicate that the extraction, processing, use and disposal of material resources used in production processes can have significant environmental consequences (EEA, 2024b; Livingstone et al., 2022). In this way, it is essential to reduce the use of new materials, which can be achieved, for example, through increases in the efficiency of the production process or through the transformation of waste into new materials that can be used in the production of new products (EEA, 2024b). Regarding waste management, new materials created from waste are generally produced with a lower environmental impact than that associated with their extraction (EEA, 2024b; UN-EP, 2024), and the reuse of materials is usually associated with lower energy consumption than recycling (UN-EP, 2024). Reuse and recycling may also make it possible to make waste a resource with a more excellent economic value, preventing pollution associated with leaks into the environment (UN-EP, 2024). Adopting circular economy practices can reduce the need to import essential resources, thus contributing to the strategic autonomy of the European Union (EEA, 2024b) and Portugal.

In turn, the Action Plan for Coastal Resilience 2025-2040 provides for structural interventions and continued investments, seeking to mitigate the effects of climate change and promote the adoption of adaptation measures, namely in coastal territories. In this thematic area, the studies analysed indicate that, in the coming decades, the rise in mean sea level, changes in the level of sea agitation and an increase in the occurrence of storms in Portugal are projected (Soares et al., 2024b; Santos et al., 2017), among other phenomena. These changes could lead to an increase in the frequency of coastal flooding and coastal erosion

(Soares et al., 2024b), which could produce socio-economic impacts, put buildings and human lives at risk, but also critical infrastructure such as ports, marinas, airports and military infrastructure (Soares et al., 2024b). Overall, adaptation measures can reduce the severity of economic and social impacts on coastal areas (Soares et al., 2024b; Santos et al., 2017), increasing the resilience of these regions to climate change. Since the increase in mean sea level is expected to last for several decades, in a context of some uncertainty associated with existing projections, it is also mentioned that the planning of the measures to be adopted should follow a long-term and flexible approach, to prevent unsustainable choices (OECD, 2019).

In addition, the reform and investments associated with the preparation of the National Plan for Nature Restoration intend to give greater priority to the conservation of nature and biodiversity, seeking to support the recovery of degraded or destroyed ecosystems, with the general objective of strengthening the resilience of nature and halting the loss of biodiversity. The measure also seeks to promote healthy ecosystems that can increase agricultural productivity, greater resilience to climate change, an increase in biodiversity, and the reduction of the risk of floods, droughts and heat waves. These benefits are in line with the literature (IPCC, 2022). The studies analyzed reveal that the degradation of the land surface due to human activities can cost more than 10% of global annual gross production due to the loss of biodiversity and ecosystem services (IPBES, 2018). The investment associated with avoiding the degradation and restoration of degraded areas has benefits that generally outweigh the costs, being, on average, ten times higher (IPBES, 2018). Actions to avoid, reduce and restore land surface degradation can contribute significantly to climate change adaptation and mitigation, are essential to achieve sustainable development goals (IPBES, 2018), and can contribute to greater resilience of biodiversity and ecosystem services to climate change (IPCC, 2022).

In terms of energy, the administrative reforms and the creation of the Mission Structure for the Licensing of Renewable Energy Projects (EMER 2030) aim to accelerate the implementation of renewable energy projects in Portugal, addressing administrative barriers identified in the literature (e.g., Sobieraj, 2019), promoting a more transparent and agile procedural regime. This can facilitate investment in the energy sector by catalysing technological innovation and facilitating sharing experiences, including strategies to comply with legal requirements (as suggested in Barr et al., 2021). In addition, EMER 2030 can promote interaction between different stakeholders, allowing for faster adaptation of public policies and the renewable energy sector to technological and regulatory changes (identified by Oosthuizen & Inglesi-Lotz, 2024).

The promotion of offshore wind energy, with the commitment to launch tender procedures to install 2 GW by 2030, can strengthen the stability of the electricity system and attract part of the value chain of offshore technologies to Portugal. Offshore wind turbines offer a superior capacity to harness wind energy with less visual and sound impact (Gonzales et al., 2024). However, the ecological impacts are still partially unknown and may be mixed (Watson et al., 2024). The development of offshore wind farms directly benefits coastal economies by requiring specialized services and skills (see Hackett, 2020). These areas, with higher population density and energy demand, become more self-sufficient and contribute to the security and resilience of the electricity grid, potentially contributing to reducing GHGs from non-renewable energy sources (Watson et al., 2024).

The studies and reports analysed also indicate that measures that promote an increase in the weight of renewable energies can reduce GHGs (Eionet, 2020a), and this conclusion should remain valid even when assessed from a life cycle perspective (Eionet, 2020b). Regarding the socioeconomic impact, the literature analyzed indicates that the impact on economic growth and employment in Portugal may be positive, although this effect may be heterogeneous in different sectors (Alexandri et al., 2024).

According to the evidence collected, incorporating renewable energies in the electricity system can also

reduce energy dependence, decreasing imports of energy products (EEA/ACER, 2023). This reduction can contribute to greater security of energy supply, allowing for more sustainable economic activity in the long term (Aslanturk and Kiprizli, 2020). EEA/ACER (2023) also states that energy security can be enhanced by greater grid flexibility, and measures are already being taken in Portugal to enhance greater grid flexibility, namely in the RRP. In this context, the evidence also indicates that compared to the major blocs, the USA and China, the European Union is a leader in terms of the weight of renewable energy in installed capacity and energy production (IRENA, 2024) and a leader in the production of some of the technologies, such as wind energy (European Commission, 2020) and particularly offshore wind energy (Wilson, 2020), and some segments of solar panels, although the latter segment is led by Asian companies (European Commission, 2020).

Investments in residential energy efficiency, especially targeting low-income households, aim to reduce energy consumption and expenditure by increasing households' disposable income (as evidenced in Allcott & Greenstone, 2024). This policy can minimise energy inequality and poverty while providing additional benefits in terms of health and thermal comfort (Willand et al., 2017). In addition, energy efficiency is one of the most cost-efficient ways to decrease carbon emissions (suggested by McKinsey & Co., 2013; as cited in Allcott & Greenstone, 2024) and can contribute positively to Portugal's climate and energy goals.

In this context, implementing the National Long-Term Strategy to Combat Energy Poverty 2023-2050 in Portugal aims to reduce the population living in households without the capacity to keep the house adequately air-conditioned, aiming to meet ambitious energy poverty reduction targets. Reducing the number of energy poverty situations, by increasing the thermal efficiency of buildings, can result in significant benefits for the general health, thermal comfort and mental health of the population (Willand et al., 2017; Brown & Vera-Toscano, 2021). The strategy's emphasis on renewable energy and energy efficiency makes it possible to align the benefits of health, comfort and budgetary relief for households with the climate and energy goals assumed by Portugal.

The National Strategy for the Integrated Development of Energy Networks aims to promote coordinated planning and development of energy networks in line with the energy transition and decarbonization objectives established in the PNEC 2030. This measure seeks to improve energy efficiency and reduce carbon emissions, foster sustainable economic development, and attract investments to Portugal. Studies show that integrated energy systems are superior in energy efficiency and carbon reduction and have lower economic costs (Khalilpour & Vassallo, 2016; as cited in Guo & Xiang, 2022). Integrated energy planning allows for optimising the integration of various energy sources, addressing risks such as intermittency of renewable sources and dependence on fossil fuels while considering uncertainties in supply and demand, environmental factors, and energy price volatility (Guo & Xiang, 2022).

Implementing a technological system supported by Territorial Information Systems aims to promote sustainable territorial planning, administration and management, facilitating citizens' access to information on land use rights and restrictions. Hallet et al. (2017) underline that Territorial Information Systems are fundamental for the sustainable management of territorial resources, providing essential data for environmental interpretations and information on soil properties. This data is crucial for the development of sustainable agricultural practices and for the effective management of natural resources, facilitating informed decision-making in the agriculture, environmental management and urban planning sectors (Hallet et al., 2017), strengthening resilience in the face of environmental and socio-economic challenges.

In addition, cohesion policy plays a central role in reducing regional disparities, particularly by supporting less developed regions and seeking to enhance low-density territories. The requalification of coverage with fixed

and mobile high-speed internet is a measure that can contribute positively to the dynamics of the national business fabric and to municipalities by increasing the attractiveness of these regions and encouraging the installation of companies. During crises such as the COVID-19 pandemic, broadband infrastructure proved essential, enabling businesses and consumers to adapt by facilitating the transition to online activities, mitigating GDP decline, and supporting the continuity of economic operations (Briglauer & Grajek, 2023). Unequal access to high-speed internet can exacerbate existing inequalities, especially in low-density territories. Studies show that broadband infrastructure can promote economic growth, with increases in internet speed and capacity associated with increases in GDP (Koutroumpis, 2019).

Regarding measures for mobility and infrastructure, the implementation of the principal strategic investments that are part of the National Investment Programme, namely the construction of railway and high-speed infrastructure, seeks to enhance rail transport, striving to provide a better service, a drastic reduction in travel times, to promote the modal shift from individual transport to rail passenger transport, and from air mode, on the Lisbon-Porto route, to the train on the high-speed line (in line with the advantages mentioned in ITF, 2014, for a set of high-speed investments for other countries). In addition, the investments also aim to reduce the consumption of fossil fuels, using more sustainable energy sources, and greater integration of the territory, namely its Atlantic coast, a high-density area, but with benefits that extend to other parts of the territory that will also benefit from the reductions in travel times. This greater integration will allow a better articulation and balance of the labour and housing markets between the different parts of the territory. Namely, Venables (2007), Graham and Melo (2011) and ITF (2014) refer to the existence of possible positive effects on the labour market for several countries, while Marques et al. (2022) and Moreno Monroy et al. (2020) refer to the importance of the relationship between the provision of public transport services and housing affordability, for Portugal and OECD countries, respectively.

According to the studies analysed, investments in infrastructure, such as railways, ports and airports, generated positive contributions to Portuguese economic growth in the period 1980-2019 (Pereira & Rodrigues, 2024). In the particular case of the railway, the long-term economic growth effects were significant, with spillover effects for the rest of the economy (Rodrigues et al., 2024). The current context of the gradual worsening of climate change constitutes a risk to the integrity of infrastructures (EEA, 2024a), and it is essential to ensure their resilience, a factor taken into account in the PNI 2030 (2023), namely about investments in roads and railways. According to the studies analysed, the reduction of GHG emissions in the transport sector can be achieved in three ways: avoid (decrease in the volume of transport), transfer (environmental sustainability is improved through the modal shift, from a more polluting mode of transport such as the individual car powered by fossil fuel to a more sustainable one such as public transport), improve (transport uses technology or fuel with less environmental impact to increase the sustainability of the means of transport) (EEA, 2019) several factors can influence the mobility system, contributing to the choice of transport mode by passengers (EEA, 2019). One of these factors refers to the supply and characteristics of the transport infrastructure (capacity and quality of infrastructure, level and quality of service supply, and costs of services) (EEA, 2019). In the passenger transport sector, the train is one of the least polluting modes of transport (emissions per passenger, per km), and individual road transport and air transport are the most polluting (EEA, 2022).

In the area of housing, the implementation of the measures that are part of the new Housing Strategy and the provision of public support and transitional stimuli to address the most pressing situations of housing shortage and lack of accessibility are two measures that seek, among others, to increase the housing supply, as well as to stimulate and promote the supply of affordable housing. In this context, studies indicate that the risk of difficulties in accessing housing may be differentiated between those who rent and those who

own their housing (Hick et al., 2024), as well as between the segments of the population with lower and higher incomes (Marques et al., 2022). In addition, studies also show that supply constraints can impact the efficient allocation of human resources between regions, restricting the increase in employment in areas with a strong demand for labour (Hsieh & Moretti, 2019). Eurofound (2023), based on evidence collected for Europe, reports that higher housing cost-to-income ratios may contribute to labour supply shortages in some regions. Access to safe and adequate housing can have positive effects on health, and people who are insecure about access to housing may experience mental distress (Marí-Dell'Olmo et al., 2017). Housing costs above about 30% of income can condition investment in education, particularly in curricular enrichment activities (Newman & Holupka, 2014).

A more global and humanist country

Services such as ALMA strengthen the social cohesion and economic integration of migrants (Ratha et al., 2012; Pecoraro et al., 2022). Ratha et al. (2012) state that adequately integrated migrants can counteract the demographic trend and contribute positively to fiscal and social security sustainability. They also boost economic activity by filling labour gaps in various sectors and bringing diversified skills capable of promoting innovation and entrepreneurship. While challenges related to cultural conflicts persist, such as increased demand for public services and wage competition, evidence suggests that the overall benefits of immigration outweigh its potential negative impacts (Ratha et al., 2012). To mitigate these risks and maximize the benefits, this plan includes measures such as the reorientation of the Portuguese State's immigration policy in a realistic and humanistic way, with adequate rules and supervision, the implementation of a more functional regime for CPLP citizens and an approach aimed at attracting talent.

In turn, policies that drag investments in defence and space catalyze innovation, particularly in advanced technologies, which have considerable knock-on effects for manufacturing and other high-tech sectors (Moretti et al., 2021). These industries can exhibit a high economic multiplier effect. However, this does not always seem to be the case in Europe, varying with the different types of industry present in each country (Saccone et al., 2022). This effect can be especially relevant in periods of recession (Deleidi et al. 2023), working in a counter-cycle, given the protracted nature of contracts. In terms of resilience, in addition to the contribution of economic impacts, defence policies, including joint missions and increasing military readiness and deterrence capabilities, also increase the effectiveness of disaster response, including through greater interoperability, coordination, and international collaboration. These policies promote alliances and diplomatic ties that are relevant to maintaining security and advancing national and European interests (Drab, 2018).

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Annex III – Medium-term fiscal plan DSA tables

Table 1a. Fiscal commitments

		2023	2024	2025	2026	2027	2028
Commitments							
1	Net nationally financed primary expenditure (growth rate)		11.8	5.0	5.1	1.2	3.3
2	(cumulative growth rate)		11.8	17.4	23.4	24.8	28.9

Table 1b. Main variables

		2023	2024	2025	2026	2027	2028
		growth rate	growth rate	growth rate	growth rate	growth rate	growth rate
1	Potential GDP	MTP Table 2, line 26	2.4	2.4	2.1	2.0	1.7
2	GDP deflator	MTP Table 2, line 2	6.9	3.1	2.6	2.0	2.0
		% GDP	% GDP	% GDP	% GDP	% GDP	% GDP
3	Net lending/borrowing	MTP Table 4, line 31	1.2	0.4	0.3	0.1	1.1
4	Structural balance	MTP Table 4, line 33	1.1	0.2	0.0	-0.4	0.7
5	Structural primary balance	MTP Table 4, line 34	3.2	2.3	2.1	1.7	2.8
6	Gross debt	MTP Table 4, line 35	97.9	95.9	93.3	90.4	87.2
7	Change in gross debt	MTP Table 4, line 36	-13.3	-2.1	-2.6	-2.9	-3.2

Table 2. Macroeconomic scenario

		2023	2023	2024	2025	2026	2027	2028
		bn NAC	growth rate	growth rate	growth rate	growth rate	growth rate	growth rate
1	Real GDP	B.1*g	2.5	1.8	2.1	2.2	1.7	1.8
2	GDP deflator		6.9	3.1	2.6	2.0	2.0	2.0
3	Nominal GDP	B.1*g	267	9.6	5.0	4.8	4.2	3.7
	Components of real GDP	ESA Code	bn NAC	growth rate	growth rate	growth rate	growth rate	growth rate
4	Private consumption expenditure	P.3		2.0	1.8			
5	Government consumption expenditure	P.3		0.6	2.6			
6	Gross fixed capital formation	P.51		3.6	3.2			
7	Changes in inventories and net acquisition of valuables (% of GDP)	P.52 + P.53		0.4	0.2			
8	Exports of goods and services	P.6		3.5	2.5			
9	Imports of goods and services	P.7		1.7	2.9			
	Contribution to real GDP growth							
10	Final domestic demand			2.0	2.2			
11	Changes in inventories and net acquisition of value	P.52 + P.53		-0.3	-0.2			
12	External balance of goods and services	B.11		0.8	-0.2			
	Deflators and HICP		growth rate	growth rate	growth rate	growth rate	growth rate	growth rate
13	Private consumption deflator			4.4	2.4			
14	p.m. HICP			5.3	2.6			
15	Government consumption deflator			5.0	4.2			
16	Investment deflator			3.4	2.4			
17	Export price deflator (goods and services)			1.3	0.5			
18	Import price deflator (goods and services)			-3.6	-0.4			
	Labour market	ESA Code	level	growth rate	growth rate	growth rate	growth rate	growth rate
19	Domestic employment (1000 persons, national accounts)		5,192	1.0	1.1	0.7	0.5	0.4
20	Average annual hours worked per person employed		1,842	0.9	0.1	0.0	0.0	0.0
21	Real GDP per person employed			1.5	0.7	1.4	1.7	1.3
22	Real GDP per hour worked			0.5	0.6	1.4	1.7	1.3
23	Compensation of employees (bn NAC)	D.1	126.2	11.1	7.1	5.4	4.7	3.7
24	Compensation per employee (NAC) (= 23 / 19)		24,314	10.0	6.0	4.7	4.2	3.3
			%	%	%	%	%	%
25	Unemployment rate (%)			6.5	6.6			
	Potential GDP and components		growth rate	growth rate	growth rate	growth rate	growth rate	growth rate
26	Potential GDP			2.4	2.4	2.1	2.0	1.7
27	Contribution to potential growth							
28	Labour			0.8	0.6	0.3	0.2	0.0
29	Capital			0.1	0.3	0.4	0.4	0.4
30	Total factor productivity			1.5	1.4	1.4	1.3	1.2
			% pot. GDP	% pot. GDP	% pot. GDP	% pot. GDP	% pot. GDP	% pot. GDP
30	Output gap			1.1	0.6	0.6	0.8	0.8

Table 3. External assumptions

			2023	2024	2025	2026	2027	2028
1	Short-term interest rate	(%, annual average)	3.43	3.59	2.39	2.43	2.48	2.52
2	Long-term interest rate	(%, annual average)	3.24	2.84	3.01	3.14	3.27	3.40
3	USD/EUR exchange rate	(annual average)	0.92	0.91				
4	NAC/EUR exchange rate (only for non-EA Member States)	(annual average)						
5	World real GDP (excluding EU)	(growth rate)	3.2	3.7				
6	EU real GDP	(growth rate)	0.6	1.2				
7	World import volumes, excluding EU	(growth rate)	0.8	3.7				
8	Oil prices	(Brent, USD/barrel)	80.6	81.3				

Table 4. Budgetary projections

		2023	2023	2024	2025	2026	2027	2028
Revenue	ESA Code	bn NAC	% GDP	% GDP	% GDP	% GDP	% GDP	% GDP
1 Taxes on production and imports	D.2	38.7	14.5	14.47613				
2 Current taxes on income, wealth, etc	D.5	28.5	10.6	10.6				
3 Social contributions	D.61	32.8	12.3	12.7				
4 Other current revenue	(P.11+P.12+P.131) + D.39 + D.4 + D.7	13.5	5.1	5.5				
5 Capital taxes	D.91	0.0	0.0	0.0				
6 Other capital revenue	D.92+D.99	3.1	1.2	1.5				
7 Total revenue (= 1+2+3+4+5+6)	TR	116.6	43.6	44.8				
8 Of which: Transfers from the EU (accrued revenue, not cash)	D.7EU+D.9EU	3.5	1.3	2.1				
9 Total revenue other than transfers from the EU (= 7-8)		113.1	42.3	42.6				
10 p.m. Revenue measures (increments, excluding EU funded measures)		-0.7	-0.3	-1.0				
11 p.m. One-off revenue included in the projections (levels, excluding EU funded measures)		0.0	0.0	0.0				
Expenditure	ESA Code	bn NAC	% GDP	% GDP	% GDP	% GDP	% GDP	% GDP
12 Compensation of employees	D.1	27.9	10.4	10.8				
13 Intermediate consumption	P.2	13.9	5.2	5.4				
14 Interest expenditure	D.41	5.5	2.1	2.1	2.2	2.1	2.1	2.0
15 Social benefits other than social transfers in kind	D.62	42.2	15.8	16.5				
16 Social transfers in kind via market producers	D.632	4.7	1.8	1.7				
17 Subsidies	D.3	2.2	0.8	0.8				
18 Other current expenditure	D.29 + (D.4-D.41) + D.5 + D.7 + D.8	6.5	2.4	2.8				
19 Gross fixed capital formation	P.51	7.0	2.6	3.3				
20 Of which: Nationally financed public investment		4.9	1.8	2.2	2.2	2.4	2.5	2.5
21 Capital transfers	D.9	3.5	1.3	0.8				
22 Other capital expenditure	P.52+P.53+NP	0.1	0.0	0.0				
23 Total expenditure (= 12+13+14+15+16+17+18+19+21+22)	TE	113.4	42.4	44.4				
24 Of which: Expenditure funded by transfers from the EU (= 8)	D.7EU+D.9EU	3.5	1.3	2.1				
25 Nationally financed expenditure (23-24)		109.8	41.1	42.3				
26 p.m. National co-financing of programmes funded by the Union		0.16	0.1	0.1				
27 p.m. Cyclical component of unemployment benefits		0.164	0.1	0.1				
28 p.m. One-off expenditure included in the projections (levels, excluding EU funded measures)		1.3	0.5	0.1				
29 Net nationally financed primary expenditure (before revenue measures) (= 25-26-27-28-14)		102.7	38.4	39.9				
Net nationally financed primary expenditure				growth rate	growth rate	growth rate	growth rate	growth rate
30 Net nationally financed primary expenditure growth	MTP Table 1a, line 1			11.8	5.0	5.1	1.2	3.3
Balances	ESA Code	bn NAC	% GDP	% GDP	% GDP	% GDP	% GDP	% GDP
31 Net lending/borrowing (= 7-23)	B.9	3.2	1.2	0.39	0.2931	0.06	1.12	1.34
32 Primary balance (= 31-14)	B.9-D.41p	8.8	3.3	2.5	2.5	2.1	3.2	3.4
Cyclical adjustment			% GDP	% GDP	% GDP	% GDP	% GDP	% GDP
33 Structural balance			1.1	0.2	0.0	-0.4	0.7	0.8
34 Structural primary balance			3.2	2.3	2.1	1.7	2.76	2.87
Debt			bn NAC	% GDP	% GDP	% GDP	% GDP	% GDP
35 Gross debt		261.849	97.9	95.9	93.3	90.4	87.2	83.2
36 Change in gross debt		9.509	-13.3	-2.1	-2.6	-2.9	-3.2	-4.0
Contributions to changes in gross debt								
38 Primary balance (= minus 32)			-3.3	-2.5	-2.5	-2.1	-3.2	-3.4
39 Snowball effect			-7.7	-2.6	-2.2	-1.7	-1.2	-1.1
40 Interest expenditure (= 14)			2.1	2.1	2.2	2.1	2.1	2.0
41 Growth			-2.6	-1.7	-2.0	-1.9	-1.4	-1.5
42 Inflation			-7.2	-2.9	-2.5	-1.9	-1.8	-1.7
43 Stock-flow adjustment (= 36-38-39)			-2.3	3.0	2.1	1.0	1.1	0.4
			%	%	%	%	%	%
44 p.m. Implicit interest rate on debt (= 14 / DEBT(t-1))			2.0	2.12	2.28	2.22	2.27	2.32

Table 5. Estimated impact of discretionary revenue measures

Title/description measure		One-off	Exp / Rev	Sub-sector	ESA Code	2023	2024
						% GDP	% GDP
001	VAT reduction on essencial food basket	No	Revenue	optional	D.2 - Taxes on production and im	-0.1	0.1
002	Return of additional VAT revenue from ISP	No	Revenue	optional	D.2 - Taxes on production and im	0.1	0.0
003	suspension of the carbon tax update	No	Revenue	optional	D.2 - Taxes on production and im	0.1	0.0
004	4% update of other indirect taxes (ISV, IUC, IABA, IMT, IT)	No	Revenue	optional	D.2 - Taxes on production and im	0.1	0.0
005	Update of ISV, IMT and other tax rates	No	Revenue	optional	D.2 - Taxes on production and im	0.0	0.1
006	Widening of PIT for the youth and "Regressar" Programme	No	Revenue	optional	D.5 - Current taxes on income, we	0.0	-0.1
007	Changes to the minimum existence threshold in the scope of PIT	No	Revenue	optional	D.5 - Current taxes on income, we	-0.1	0.0
008	Reduction of PIT withholding tax to support housing charges	No	Revenue	optional	D.5 - Current taxes on income, we	-0.1	0.1
009	Tax reduction - PIT	No	Revenue	optional	D.5 - Current taxes on income, we	-0.1	0.0
010	PIT Reform (scale update, tax reduction)	No	Revenue	optional	D.5 - Current taxes on income, we	0.0	-0.4
011	Housing-related tax measures	No	Revenue	optional	D.5 - Current taxes on income, we	0.0	-0.1
012	Widening of the Tax Regime for Corporate Capitalization (ICE)	No	Revenue	optional	D.5 - Current taxes on income, we	0.0	-0.1
013	Protection Equipments	No	Expenditure	optional	P.2 - Intermediate consumption	-0.1	0.0
014	Vaccines and Covid medicines	No	Expenditure	optional	P.2 - Intermediate consumption	-0.1	0.0
015	Career unfreezing - wages and salaries	No	Expenditure	optional	D.1 - Compensation of employee:	0.1	0.0
016	Wage update 2019	No	Expenditure	optional	D.1 - Compensation of employee:	0.2	0.0
017	Career revisions - wages and salaries	No	Expenditure	optional	D.1 - Compensation of employee:	0.1	0.0
018	Human Resources in health case sector	No	Expenditure	optional	D.1 - Compensation of employee:	-0.1	0.0
019	Additional 1% wage increase	No	Expenditure	optional	D.1 - Compensation of employee:	0.1	0.0
020	Wage update 2024	No	Expenditure	optional	D.1 - Compensation of employee:	0.0	0.2
021	Wage progressions and promotions	No	Expenditure	optional	D.1 - Compensation of employee:	0.0	0.1
022	Increase in minimum wage	No	Expenditure	optional	D.1 - Compensation of employee:	0.0	0.1
023	Career changes	No	Expenditure	optional	D.1 - Compensation of employee:	0.0	0.1
024	meal allowance	No	Expenditure	optional	D.1 - Compensation of employee:	0.1	0.0
025	Child care complement benefit	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	0.1	0.0
026	Public Health (prophylatic isolation and sickness allowance)	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	-0.1	0.0
027	Extraordinary support for vulnerable households	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	0.0	-0.1
028	Extraordinary support for pensioners	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	-0.4	0.0
029	Extraordinary support for workers, children and young people	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	-0.2	0.0
030	rent support	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	0.1	0.0
031	Strengthening of family allowance	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	0.1	0.0
032	Pension - Interim update	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	0.2	-0.2
033	Covid Tests	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	-0.1	0.0
034	PART reinforcement (+TP initiative)	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	0.0	0.1
035	Amounts in national energy system to bring down electricity tariffs	No	Expenditure	optional	D.3 - Subsidies	-0.2	0.1
036	agriculture and fisheries	No	Expenditure	optional	D.3 - Subsidies	0.1	-0.1
037	Extraordinary support f children	No	Expenditure	optional	D.29+D.4+D.5+D.7+P.52+P.53+K.2+	-0.1	0.0
038	Wage compensation for graduates (return of tuition fees)	No	Expenditure	optional	D.29+D.4+D.5+D.7+P.52+P.53+K.2+	0.0	0.1
039	IP indemnity - AEDL, SA	Yes	Expenditure	optional	D.9 - Capital transfers	0.0	0.1
040	Court decision on EDP Fridão dam	Yes	Expenditure	optional	D.9 - Capital transfers	0.1	-0.1
041	Extraordinary Support to TAP and SATA	No	Expenditure	optional	D.9 - Capital transfers	-0.4	0.0
042	covid guarantee	No	Expenditure	optional	D.9 - Capital transfers	-0.1	0.0
043	EFACEC	No	Expenditure	optional	D.9 - Capital transfers	0.0	-0.1
044	Parvalorem: recording of losses related non-recoverable credit	Yes	Expenditure	optional	D.9 - Capital transfers	0.3	-0.3
045	PIT measures approved in the Parliament and carry-over from other years	No	Revenue	optional	D.5 - Current taxes on income, we	0.0	-0.4
046	Wage agreement with teachers	No	Expenditure	optional	D.1 - Compensation of employee:	0.0	0.1
047	Additional reduction in PIT rates (Parliament)	No	Revenue	optional	D.5 - Current taxes on income, we	0.0	-0.1
048	Health emergency plan	No	Expenditure	optional	P.2 - Intermediate consumption	0.0	0.1
049	Lump-sum pension supplement	No	Expenditure	optional	D.62+D.63+D.621+D.624+D.631 - S	0.0	0.2
050	Financial support to Ukraine	No	Expenditure	optional	D.29+D.4+D.5+D.7+P.52+P.53+K.2+	0.0	0.1
	Other measures on the revenue side (<0.1% of GDP)		Revenue	optional		-0.1	-0.1
	Other measures on the expenditure side (<0.1% of GDP)		Expenditure	optional		-0.2	0.1
TOTAL						0.1	-1.3

Table 7a. Debt and headline balance projections and key underlying assumptions (under the planned fiscal path)

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
1	Gross debt (% GDP)	97.9	95.9	93.3	90.4	87.2	83.2	80.0	77.3	75.1	73.0	71.1	69.5	68.1	66.8	65.8	64.8
2	General government balance (% GDP)	1.2	0.4	0.3	0.1	1.1	1.3	0.9	0.5	0.1	-0.1	-0.4	-0.6	-0.7	-0.9	-1.1	-1.2
3	Structural primary balance (% GDP)	3.2	2.3	2.1	1.7	2.8	2.9	2.7	2.4	2.2	1.9	1.7	1.5	1.3	1.2	1.0	0.9
4	Cyclical component (% pot. GDP)	0.6	0.3	0.3	0.4	0.4	0.5	0.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	One-off measures (% GDP)	-0.5	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	Interest expenditure (% GDP)	2.1	2.1	2.2	2.1	2.1	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
7	Long-term interest rate (%)	3.24	2.84	3.01	3.14	3.27	3.40	3.5	3.7	3.8	3.9	4.1	4.1	4.1	4.1	4.1	4.1
8	Short-term interest rate (%)	3.43	3.59	2.39	2.43	2.48	2.52	2.6	2.6	2.6	2.7	2.7	2.7	2.7	2.6	2.6	2.5
9	Implicit average interest rate (%)	2.0	2.1	2.3	2.2	2.3	2.3	2.5	2.6	2.7	2.7	2.8	2.9	3.0	3.0	3.1	3.1
10	Stock-flow adjustment (% GDP)	-2.3	3.0	2.1	1.0	1.1	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	Potential GDP (growth rate)	2.4	2.4	2.1	2.0	1.7	1.6	1.0	0.9	0.8	0.7	0.6	0.7	0.7	0.8	0.9	1.0
12	Real GDP (growth rate)	2.5	1.8	2.1	2.2	1.7	1.8	0.7	0.6	0.5	0.7	0.6	0.7	0.7	0.8	0.9	1.0
13	GDP deflator (growth rate)	6.9	3.1	2.6	2.0	2.0	2.0	2.1	2.2	2.3	2.4	2.6	2.5	2.5	2.5	2.4	2.4
14	Nominal GDP (growth rate)	9.6	5.0	4.8	4.2	3.7	3.7	2.8	2.8	2.8	3.1	3.2	3.2	3.2	3.3	3.4	3.4

Table 7b. Debt projections and key stressed variables, deterministic scenarios and stochastic simulations

Financial stress scenario		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
1	Gross debt (% GDP)	97.9	95.9	93.3	90.4	87.2	83.2	80.2	77.5	75.3	73.2	71.4	69.8	68.4	67.2	66.1	65.2
2	Long-term interest rate (%)	3.2	2.8	3.0	3.1	3.3	3.4	4.5	3.7	3.8	3.9	4.1	4.1	4.1	4.1	4.1	4.1
3	Short-term interest rate (%)	3.4	3.6	2.4	2.4	2.5	2.5	3.6	2.6	2.6	2.7	2.7	2.7	2.7	2.6	2.6	2.5
Lower SPB scenario		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
4	Gross debt (% GDP)	97.9	95.9	93.3	90.4	87.2	83.2	80.0	77.4	75.4	73.8	72.6	71.5	70.6	69.9	69.3	68.9
5	Structural primary balance (% GDP)	3.172256	2.3	2.1	1.7	2.8	2.9	2.4	1.9	1.7	1.4	1.2	1.0	0.8	0.7	0.5	0.4
Adverse 'r-g' scenario		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
6	Gross debt (% GDP)	97.9	95.9	93.3	90.4	87.2	83.2	80.5	78.3	76.6	74.9	73.6	72.5	71.6	70.9	70.4	70.0
7	Long-term interest rate (%)	3.2	2.8	3.0	3.1	3.3	3.4	4.0	4.2	4.3	4.4	4.6	4.6	4.6	4.6	4.6	4.6
8	Short-term interest rate (%)	3.4	3.6	2.4	2.4	2.5	2.5	3.1	3.1	3.1	3.2	3.2	3.2	3.2	3.1	3.1	3.0
9	Real GDP (growth rate)	2.5	1.8	2.1	2.2	1.7	1.8	0.4	0.2	0.3	0.2	0.1	0.2	0.2	0.3	0.4	0.5
10	Potential GDP (growth rate)	2.4	2.4	2.1	2.0	1.7	1.6	1.0	0.9	0.8	0.7	0.6	0.7	0.7	0.8	0.9	1.0
Stochastic simulations																	
11	Probability of debt being below (%)	74.93															

Table 7c. Debt and headline balance projections and underlying assumptions (under 'no-fiscal-policy-change' baseline)

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
1	Gross debt (% GDP)	97.9	95.9	93.3	90.0	87.5	84.7	82.5	80.7	79.3	78.2	77.6	77.2	77.0	77.0	77.2	77.5
2	General government balance (% GDP)	1.2	0.4	0.3	0.2	0.0	-0.2	-0.6	-0.9	-1.2	-1.5	-1.8	-2.0	-2.2	-2.4	-2.6	-2.8
3	Structural primary balance (% GDP)	3.2	2.3	2.1	2.0	1.8	1.7	1.5	1.3	1.0	0.7	0.5	0.3	0.1	0.0	-0.2	-0.3
4	Cyclical component (% pot. GDP)	0.6	0.3	0.4	0.3	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	Interest expenditure (% GDP)	2.1	2.1	2.2	2.1	2.0	2.0	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.4	2.4	2.5
6	Long-term interest rate (%)	3.24	2.84	3.01	3.14	3.27	3.40	3.54	3.67	3.80	3.94	4.07	4.06	4.06	4.06	4.05	4.05
7	Short-term interest rate (%)	3.43	3.59	2.39	2.43	2.48	2.52	2.56	2.60	2.64	2.68	2.73	2.69	2.65	2.62	2.58	2.54
8	Implicit average interest rate (%)	2.0	2.1	2.3	2.2	2.3	2.3	2.6	2.6	2.7	2.8	2.9	3.0	3.0	3.1	3.2	3.2
9	Potential GDP (growth rate)	2.4	2.4	2.1	2.0	1.7	1.6	1.0	0.9	0.8	0.7	0.6	0.7	0.7	0.8	0.9	1.0
10	Real GDP (growth rate)	2.5	1.8	2.2	1.8	1.6	1.4	0.9	0.7	0.8	0.7	0.6	0.7	0.7	0.8	0.9	1.0
11	GDP deflator (growth rate)	6.9	3.1	2.6	2.0	2.0	2.0	2.6	2.6	2.6	2.6	2.6	2.5	2.5	2.5	2.4	2.4
12	Nominal GDP (growth rate)	9.6	5.0	4.9	3.9	3.6	3.4	3.5	3.3	3.4	3.3	3.2	3.2	3.2	3.3	3.4	3.4
13	Fiscal multiplier (%)	0.75															

Table 7d. Debt projections and additional assumptions (under the planned fiscal path)

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
1	Gross debt (% GDP)	97.9	95.9	93.3	90.4	87.2	83.2	80.0	77.3	75.1	73.0	71.1	69.5	68.1	66.8	65.8	64.8
2	Rolled over long-term debt (% GDP)	3.3	4.0	4.5	5.0	4.9	4.4	4.1	3.6	5.6	5.3	4.7	3.7	4.9	4.9	3.4	4.1
3	Rolled over short-term debt (% GDP)	12.9	12.3	12.1	11.9	11.7	10.6	9.7	9.1	8.7	8.5	8.2	8.0	7.9	7.8	7.7	7.6
4	New long-term debt (% GDP)	0.0	2.1	1.5	0.8	0.0	0.0	0.0	0.0	0.0	0.1	0.3	0.5	0.6	0.8	0.9	1.0
5	New short-term debt (% GDP)	0.0	0.4	0.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.2

Opinion of the independent fiscal institution



**Conselho das
Finanças
Públicas**

Previsões macroeconómicas subjacentes ao Plano Orçamental-Estrutural Nacional de Médio Prazo

9 de outubro de 2024

Parecer n.º

03/2024

O Conselho das Finanças Públicas é um órgão independente, criado pelo artigo 3.º da Lei n.º 22/2011, de 20 de maio, que procedeu à 5.ª alteração da Lei de Enquadramento Orçamental (Lei n.º 91/2001, de 20 de agosto, republicada pela Lei n.º 37/2013, de 14 de junho).

A iniciativa para a sua criação seguiu-se à publicação do Relatório final do Grupo de Missão para o Conselho Europeu sobre a governação económica da Europa e concretizou-se em outubro de 2010, através de um protocolo entre o Governo, então apoiado pelo Partido Socialista, e o Partido Social Democrata. A versão final dos Estatutos do CFP foi aprovada pela Lei n.º 54/2011, de 19 de outubro.

O CFP iniciou a sua atividade em fevereiro de 2012, com a missão de proceder a uma avaliação independente sobre a consistência, cumprimento e sustentabilidade da política orçamental, promovendo a sua transparência, de modo a contribuir para a qualidade da democracia e das decisões de política económica e para o reforço da credibilidade financeira do Estado.

Este Parecer foi elaborado com base na informação disponível até ao dia 8 de outubro de 2024.

INTRODUÇÃO

Este Parecer incide sobre as previsões macroeconómicas subjacentes ao Plano Orçamental-Estrutural Nacional de Médio Prazo (POEN-MP). Este Plano decorre do [Regulamento \(UE\) 2024/1263](#). O elemento central de um plano de médio prazo é o compromisso relativo à taxa de crescimento das [despesas líquidas](#). O POEN-MP deve seguir as orientações publicadas no Jornal Oficial.¹ O Ministério das Finanças (MF) enquadró o pedido de parecer no [Protocolo entre o Ministério das Finanças e o Conselho das Finanças Públicas](#), celebrado a 6 de fevereiro de 2015.

Nos termos do n.º 2 do artigo 11.º desse Regulamento, *“Um Estado-Membro pode solicitar à instituição orçamental independente competente que emita um parecer sobre as previsões macroeconómicas e os pressupostos macroeconómicos subjacentes à trajetória das despesas líquidas, concedendo tempo suficiente à instituição orçamental independente para elaborar o seu parecer.”*

A primeira notificação quanto à intenção do MF de solicitar o Parecer ao cenário macroeconómico do POEN-MP foi realizada no dia 5 de julho, tendo sido sinalizado que, em tempo oportuno, seria comunicada a data de entrega e o formato desse documento. No dia 8 de julho, o Conselho das Finanças Públicas (CFP) manifestou a necessidade de esclarecimento quanto aos prazos que governariam o pedido de Parecer e o conteúdo do documento programático, bem como a disponibilização da trajetória de referência e metodologia de Análise de Sustentabilidade da Dívida (DSA) elaboradas pela Comissão Europeia (CE), e partilhadas com as autoridades dos Estados-Membros no final de junho. No dia 14 de agosto, de acordo com o estabelecido no referido Protocolo, o Governo comunicou formalmente ao CFP que a Proposta de Orçamento do Estado para 2025 (POE/2025) e o POEN-MP seriam apresentados à Assembleia da República no dia 10 de outubro (dia “D” para efeitos do calendário incluído na secção 5 do Protocolo), tendo formalizado, conjuntamente, o pedido de Parecer ao cenário macroeconómico subjacente a estes documentos.

Nos termos do Protocolo deveria ter sido remetido, a 12 de setembro, um primeiro cenário macroeconómico em políticas invariantes (previsões macroeconómicas tendenciais), o que não sucedeu. No dia 26 de setembro deveria ter sido remetido o cenário macroeconómico do POEN-MP. Contudo, nessa data o MF remeteu ao CFP apenas a primeira versão do cenário macroeconómico programático subjacente à POE/2025, dando nota de que, para os anos de 2024 e 2025, este seria idêntico ao do POEN-MP. A primeira versão do cenário macroeconómico subjacente ao POEN-MP, com horizonte de projeção até 2028 foi recebida no dia 2 de outubro, seis dias úteis antes da apresentação do documento – dia “D-6”. No mesmo dia decorreu uma reunião entre as equipas do MF e do CFP, na qual a primeira fez uma apresentação sumária dos dois cenários (de políticas invariantes e programático), não tendo, no entanto, sido quantificadas formalmente as medidas

¹ [Anúncio C/2024/4209](#), Orientações para os Estados-Membros sobre os requisitos de informação relativos aos planos orçamentais-estruturais de médio prazo e aos relatórios anuais de progresso.

de política económica subjacentes às previsões. A versão final do cenário macroeconómico só veio a ser comunicada ao CFP a 7 de outubro.

A elaboração deste Parecer encontra-se condicionada por:

- O pedido de Parecer se restringir aos elementos do cenário macroeconómico recebidos pelo CFP, não abrangendo os pressupostos necessários ao cálculo da trajetória das despesas líquidas, não sendo, por isso, do conhecimento do CFP os pressupostos metodológicos utilizados pelo Governo no cálculo do compromisso dessa trajetória de despesas líquidas;
- O CFP não ter tido acesso à trajetória de referência transmitida pela Comissão Europeia ao Governo, que informou o diálogo técnico entre as autoridades portuguesas e a CE;
- Não terem sido recebidos os documentos de suporte metodológicos relativos a este novo Plano que foram atempadamente solicitados ao MF;
- Serem desconhecidas as medidas de política subjacentes às previsões do MF em apreço, bem como o respetivo impacto macroeconómico assumido nas previsões;
- O CFP não ter tido acesso aos Quadros do POEN-MP previstos nas citadas Orientações oficiais, em particular a Tabela 7-A, onde deverão constar as projeções até ao ano T+14/17 (2038/2040) para o PIB real, deflator do PIB, PIB potencial, saldo primário estrutural, taxas de juro de curto prazo e de longo prazo essenciais para apurar a coerência da estimativa de PIB potencial até 2028 com os restantes elementos da previsão, bem como para a posterior avaliação do compromisso de despesas líquidas;
- O tempo disponível para a elaboração de um Parecer ter sido limitado.

Este Parecer incide sobre os valores apresentados pelo MF para as hipóteses externas e técnicas, assim como para as previsões macroeconómicas apresentadas no Quadro 1. Tendo em conta as limitações enunciadas anteriormente, a metodologia e o processo de análise utilizados seguem a abordagem do CFP à informação que, no passado, era apresentada nas previsões macroeconómicas subjacentes a um Programa de Estabilidade, nos termos do disposto no artigo 8.º da Lei de Enquadramento Orçamental (Lei n.º 151/2015, de 11 de setembro, alterada). Estes estão descritos no Protocolo acima referido, tendo o CFP recorrido aos seguintes meios:

- a) Análise técnica das previsões pelos analistas do CFP;
- b) Comparação com as previsões e projeções disponíveis realizadas por instituições de referência: Banco de Portugal (BdP), CE, CFP, Fundo Monetário Internacional (FMI) e Organização para a Cooperação e Desenvolvimento Económico (OCDE);
- c) Informação estatística mais recente, produzida pelas autoridades estatísticas nacionais – Instituto Nacional de Estatística (INE) e BdP;
- d) Esclarecimentos técnicos verbais prestados pelo MF relativamente às previsões apresentadas.

CENÁRIO MACROECONÓMICO SUBJACENTE AO POEN-MP

A elaboração do cenário macroeconómico subjacente ao POEN-MP ocorre num contexto pautado por uma elevada incerteza, particularmente externa.² Para além da evolução recente do sector industrial, estes riscos podem ser reforçados, entre outros, por tensões geopolíticas relevantes, associadas à fragmentação do comércio mundial, dos fluxos de capital e da difusão tecnológica, com impacto no crescimento da produtividade; por conflitos armados, com potencial para introduzir novas perturbações nas cadeias de produção, e de alimentar o recrudescimento do preço das matérias-primas energéticas, enfraquecendo a confiança e o investimento; e pelo risco de volatilidade nos mercados financeiros, nomeadamente devido a uma evolução da inflação, e consequentemente da política monetária, diferente da antecipada.

Dada a informação remetida pelo MF para a elaboração deste Parecer, que não difere na natureza das variáveis que abrange, nem para 2024 e 2025 das previsões macroeconómicas subjacentes ao POE/2025, o [Parecer n.º 02/2024](#) emitido a esse documento contextualiza as principais considerações ao cenário macroeconómico para os anos de 2024 e 2025, focando-se a presente análise no horizonte 2025-2028.

Na comparação entre cenários macroeconómicos é de ressaltar um conjunto de fatores que influenciam a sua comparabilidade. Estes incluem a elaboração dos mesmos em diferentes momentos no tempo, tendo por base diferentes metodologias e assumindo diferentes hipóteses técnicas. Também a incorporação de medidas de política difere entre as diversas instituições. A este respeito, é de ressaltar que a comparação com o Programa de Estabilidade 2024-2028 (PE/2024), último cenário de programação orçamental disponível, deve ser feita com alguma prudência, dado o facto de este ter sido elaborado [numa ótica de políticas invariantes](#). A este último elemento está igualmente associado a incerteza quanto à quantificação destas mesmas medidas e o seu reflexo no cenário macroeconómico. Acresce que, no dia 23 de setembro, o INE publicou uma nova série de informação de Contas Nacionais, tendo como referência o ano de 2021, que substitui a anterior base 2016, com dados anuais finais para o ano de 2022 e preliminares para 2023, bem como Contas Nacionais Trimestrais por sector institucional até ao 2.º trimestre de 2024.³ A nova base causou revisões transversais nas séries de Contas Nacionais.

² A título de exemplo para a degradação do contexto externo, considere-se a previsão mais recente para a economia alemã dos principais institutos económicos do país, que na publicação *"Joint Economic Forecast Autumn 2024"* de 26 de setembro, antecipam uma redução do PIB em 0,1% em 2024 e revêm em baixa as perspetivas de crescimento para 0,8% em 2025 e 1,3% em 2026 – na primavera, antecipavam um crescimento de 0,1% em 2024 e 1,4% em 2025.

³ INE (2024). ["Nova série de Contas Nacionais Portuguesas para 1995-2023"](#). Esta mudança de base insere-se nas revisões regulares, que se realizam de cinco em cinco anos, no quadro do Regulamento SEC e das recomendações do Eurostat, com o objetivo de introduzir desenvolvimentos metodológicos, a incorporação de nova informação (e.g. Censos 2021, Inquérito às Despesas das Famílias 2022, nova série da Balança de Pagamentos), especialmente

Quadro 1 – Previsões macroeconómicas subjacentes ao POEN-MP

	2023	2024	2025	2026	2027	2028
PIB real e componentes (variação, %)						
PIB	2,5	1,8	2,1	2,2	1,7	1,8
Consumo privado	2,0	1,8	2,0	1,9	1,8	1,8
Consumo público	0,6	2,6	1,2	0,9	0,3	0,5
Investimento (FBCF)	3,6	3,2	3,5	3,7	1,8	2,7
Exportações	3,5	2,5	3,5	3,4	3,3	2,8
Importações	1,7	2,9	3,5	3,4	3,2	2,9
Contributos para a variação real do PIB (p.p.)						
Procura interna	1,7	2,0	2,1	2,1	1,6	1,8
Exportações líquidas	0,8	-0,2	0,0	0,0	0,1	0,0
Preços (variação, %)						
Deflator do PIB	6,9	3,1	2,6	2,0	2,0	2,0
Deflator do consumo privado	4,4	2,4	2,0	1,8	1,9	1,9
Deflator do consumo público	5,0	4,2	4,3	2,2	2,1	2,0
Deflator do investimento (FBCF)	3,4	2,4	2,5	2,4	2,1	2,1
Deflator das exportações	1,3	0,5	1,5	1,6	1,5	1,6
Deflator das importações	-3,6	-0,4	1,1	1,5	1,4	1,5
IHPC	5,3	2,6	2,3	2,0	2,0	2,0
PIB nominal						
Variação (%)	9,6	5,0	4,8	4,2	3,7	3,7
Mercado de trabalho (variação, %)						
Taxa de desemprego (% pop. ativa)	6,5	6,6	6,5	6,4	6,4	6,3
Emprego	1,0	1,1	0,7	0,5	0,4	0,3
Remuneração média por trabalhador	8,0	6,0	4,7	4,2	3,3	3,4
Produtividade aparente do trabalho	1,5	0,7	1,4	1,7	1,3	1,4
Financiamento da economia e sector externo (% PIB)						
Cap./nec. líquida de financiamento face ao exterior	1,6	3,4	3,7	3,9	3,0	3,1
Balança de bens e serviços	0,9	1,1	1,3	1,3	1,4	1,4
Balança de rend. primários e transferências	-0,7	-0,2	-0,4	-0,3	-0,4	-0,2
Balança de capital	1,4	2,5	2,8	2,9	1,9	1,8
Desenvolvimentos cíclicos						
PIB potencial (variação, %)	2,4	2,4	2,1	2,0	1,7	1,6
Hiato do produto (% PIB potencial)	1,1	0,6	0,6	0,8	0,8	0,9
Pressupostos						
Procura externa (variação, %)	-0,5	0,9	2,4	2,3	2,3	2,3
Taxa de juro de curto prazo (média anual, %)	3,4	3,6	2,4	2,1	2,2	2,2
Taxa de câmbio EUR-USD (média anual)	1,08	1,09	1,13	1,13	1,13	1,13
Preço do petróleo (Brent, USD/barril)	80,6	81,3	75,5	72,9	70,4	68,0

Fonte: MF – Informação comunicada a 7 de outubro de 2024.

de caráter plurianual e introduzir recomendações conceptuais e metodológicas emanadas do Eurostat.

Apresentação do cenário e conciliação com as previsões anteriores

O cenário macroeconómico apresentado pelo MF perspetiva um crescimento da economia portuguesa de **1,8% em 2028** (ver Gráfico 1). Após um abrandamento em 2024, antecipa-se um perfil de aceleração no ritmo de crescimento da atividade económica nos dois anos seguintes (para 2,2%, em média). Em 2027, o MF prevê que este dinamismo crescente seja interrompido com uma nova desaceleração para 1,7%, coincidente com o término da execução dos fundos europeus relacionados com o Plano de Recuperação e Resiliência (PRR).

O crescimento médio da economia portuguesa entre 2025 e 2028 é revisto em alta face ao PE/2024. Apesar de a previsão para o ano de 2028 se manter inalterada (1,8%), o cenário macroeconómico revê em alta as perspetivas de crescimento para os anos anteriores. Assim, face às estimativas divulgadas no PE/2024, as atuais previsões do MF são, em média, 0,2 p.p. superiores, no período 2025-2028.

A trajetória esperada para o consumo privado é semelhante à anteriormente apresentada. Ainda assim, o ritmo de crescimento desta componente é revisto ligeiramente em alta ao longo de quase todo o horizonte de projeção (+0,2 p.p., em média, no período 2025-2028) quando em comparação com as previsões apresentadas no PE/2024. Esta perspetiva mais favorável para o consumo privado está acompanhada por uma expectativa de crescimento das remunerações médias por trabalhador igualmente superior, revistas em alta em 0,4 p.p., em média, no mesmo período. De acordo com esclarecimentos prestados pelas equipas técnicas do MF, esta alteração estará influenciada pela incorporação do novo acordo de concertação social,⁴ em particular a trajetória de crescimento salarial a nível dos salários médio e mínimo. De acordo com cálculos do CFP tendo por base as projeções do MF, o rácio das remunerações sobre o PIB deverá situar-se em 48,7% do PIB em 2028 (47,2% em 2023).

O investimento (FBCF) apresenta as diferenças mais expressivas face ao cenário anterior. Apesar da trajetória projetada para esta variável ser muito semelhante à apresentada no PE/2024, e de, no geral, as previsões apresentadas serem inferiores em quase todos os anos das apresentadas em abril, é importante salientar a expressiva revisão em alta para a projeção referente ao ano de 2027. Anteriormente, o MF previa uma contração do investimento de 0,5%, uma expectativa alicerçada no impacto do término da despesa de investimento das Administrações Públicas financiada pelo PRR – quer sob a forma de subvenções, quer de empréstimos, e que ascende a 1,5% do PIB em 2026. De acordo com a informação complementar remetida pelo MF, a projeção para o perfil anual de execução financeira do PRR está inalterada face ao apresentado no PE/2024. Assim, não se consegue encontrar uma justificação para a significativa revisão em alta da previsão de crescimento do investimento em 2027 (+2,3 p.p.), incluindo o efeito de eventuais medidas de política nesse sentido e que não foram reportadas. De acordo com cálculos do CFP tendo por base as projeções do MF, a taxa de investimento,⁵ que em 2023 ascendeu a 20,1%, deverá apresentar um perfil

⁴ Acordo Tripartido 2025-2028 sobre a Valorização Salarial e o Crescimento Económico.

⁵ Calculado como o rácio da FBCF do total da economia sobre o PIB nominal.

ascendente atingindo 21,1% em 2028, o que a verificar-se, corresponderia ao seu nível mais elevado desde 2010 (20,6%).

Não obstante a revisão em baixa do ritmo de crescimento das exportações, a evolução projetada resulta num perfil de ganhos de quotas de mercado no médio prazo. Entre 2025 e 2028, o MF antecipa um crescimento médio das exportações de bens e de serviços de 3,3%, abaixo dos 3,9% esperados em abril. Trata-se de um crescimento persistentemente superior à hipótese técnica de crescimento da procura externa dirigida à economia portuguesa (2,3% em média). De acordo com cálculos do CFP, o cenário macroeconómico prevê uma tendência de aumento do peso das exportações no PIB alcançando os 47,7% em 2028 (47,3% em 2023).

No médio-prazo, o cenário macroeconómico subjacente ao POEN-MP projeta uma desaceleração gradual do deflator implícito do PIB para valores em torno de 2%. Este valor é ligeiramente inferior aos 2,2% projetados em abril. Em termos médios, entre 2025 e 2028, a revisão em baixa (em torno de -0,2 p.p.) é transversal aos deflatores da procura interna, à exceção do investimento. A trajetória descendente dos ganhos com termos de troca permanece inalterada ao longo do horizonte. Para o médio prazo, a perspetiva do MF de gradual convergência da inflação – medida pelo ritmo de crescimento do IHPC – para valores em torno de 2%, alinhado com o objetivo de política monetária do BCE, encontra-se globalmente em linha com o assumido no cenário subjacente ao PE/2024.

O MF projeta um crescimento do PIB nominal de 3,7% em 2028, inferior aos 4% apresentados em abril. Conjugando as dinâmicas projetadas pelo MF para o PIB e para o respetivo deflator, o MF projeta um abrandamento do ritmo de crescimento do PIB nominal para 5% em 2024, antecipando-se que este desacelere gradualmente até se fixar em 3,7% no médio prazo. Entre 2025 e 2028, o cenário agora apresentado pelo MF revê em baixa as estimativas anteriores em 0,1 p.p., em média.

Relativamente ao mercado de trabalho, observa-se uma progressiva redução do ritmo de crescimento do emprego. Esta evolução está condicionada pelas projeções demográficas para a população em idade ativa. Comparativamente ao PE/2024, o cenário do MF revê em alta as perspetivas para o emprego em 2024 e 2025, mantendo inalteradas as previsões no médio prazo. Relativamente à taxa de desemprego, assinalam-se revisões mais expressivas, e em alta, nos últimos dois anos do horizonte de previsão, com esta a estabilizar em torno dos 6,3% da população ativa – face aos 5,8% previstos em abril.

O crescimento da produtividade média do trabalho é projetado em 1,4% entre 2025 e 2028. Esta expectativa encontra-se inalterada face a abril, e representa um patamar elevado numa perspetiva histórica.⁶ No Relatório [Perspetivas Económicas e Orçamentais 2024-2028 \(atualização\)](#) são apontados alguns fatores que podem sustentar esta expectativa.

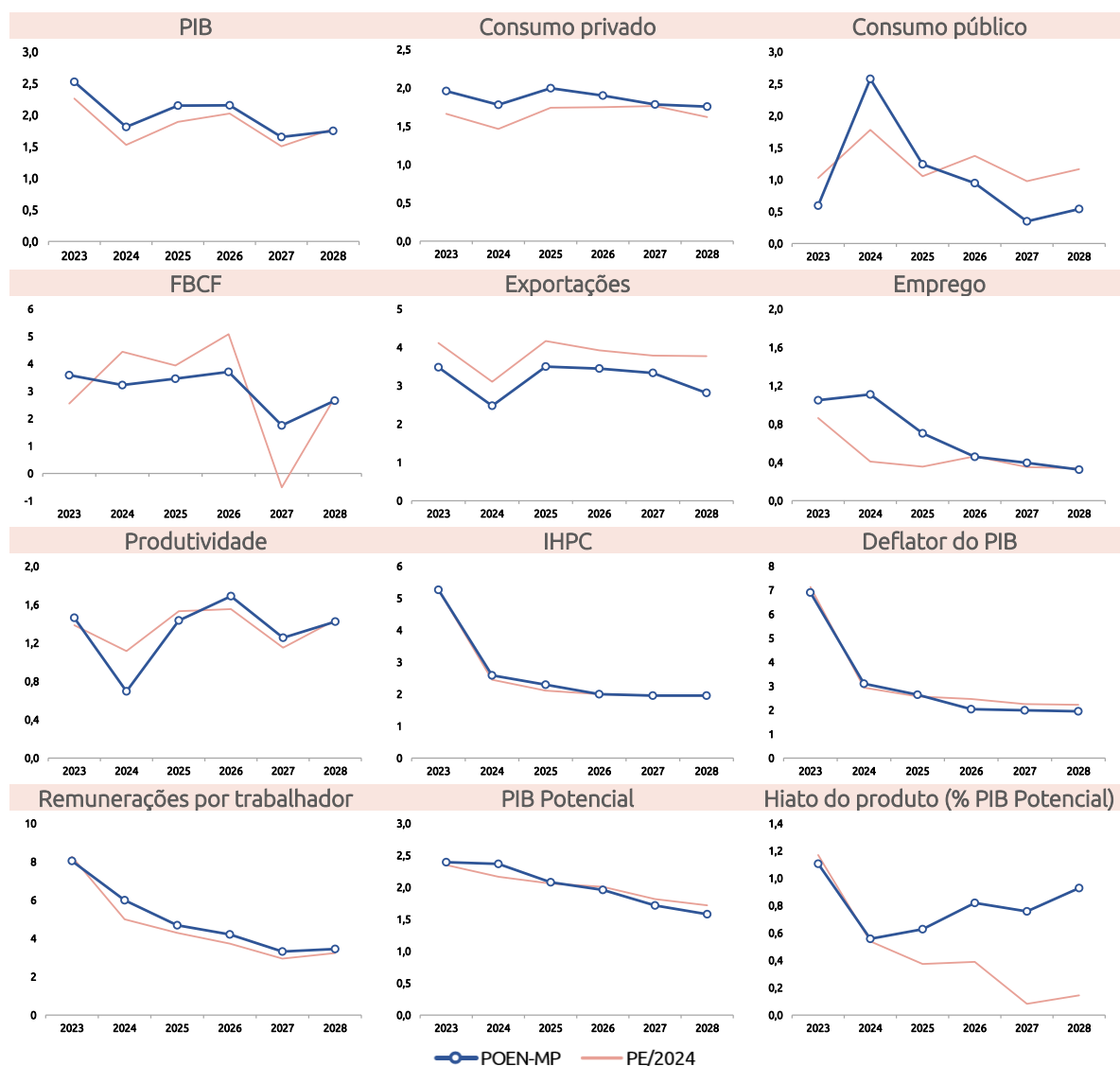
De acordo com o cenário macroeconómico subjacente ao POEN-MP, o MF prevê que a economia portuguesa apresente uma capacidade de financiamento positiva

⁶ Superior à média observada entre 2000 e 2019 de 0,9%.

face ao exterior. A previsão de um saldo positivo das contas externas de, aproximadamente, 3,4% do PIB entre 2025 e 2028 reflete a expectativa de continuados excedentes da balança de bens e serviços (1,4% do PIB, em média); em saldos médios negativos, ainda que de dimensão limitada, da balança de rendimentos primários e transferências (-0,3%); e, de forma mais substancial, saldos excedentários da balança de capital (2,4%). As dinâmicas projetadas revêm em alta as previsões do PE/2024 em 0,6 p.p. relativamente à capacidade líquida de financiamento. A melhoria mais expressiva do saldo da balança comercial e da balança de capital, em média, entre 2025 e 2028, é parcialmente mitigada por uma deterioração da balança de rendimentos primários e transferências no mesmo período. Note-se que as revisões estão, em parte, influenciadas por alterações de composição das balanças externas, fruto da introdução da nova série da Balança de Pagamentos com a publicação das Contas Nacionais em base 2021.

A projeção para o PIB potencial é revista ligeiramente em baixa. A estimativa é de um crescimento médio de 1,8%, inferior aos 1,9% estimados em abril. Este facto poderá derivar de opções metodológicas que não são explicitadas e que parecem ser incoerentes com o cenário macroeconómico central. Tal é aparente na projeção de hiatos do produto significativamente positivos e crescentes no horizonte de projeção (0,9% em 2028). Na ausência de informação detalhada sobre os contributos para o crescimento do PIB potencial, nomeadamente do fator trabalho – incluindo da NAWRU –, do stock de capital e da estimativa para a produtividade total dos fatores, não é possível analisar a estimativa apresentada. Contudo, a estimativa para o hiato do produto afeta a avaliação dos saldos orçamentais ajustados do ciclo, essenciais na computação da trajetória de referência para a taxa de crescimento das despesas líquidas.

Gráfico 1 – Comparação das previsões incluídas no POEN-MP e no PE/2024 (variação, %)



Fonte: MF – POEN-MP e PE/2024.

Conciliação com as previsões de outras instituições

Nesta secção, as previsões do MF subjacentes ao POEN-MP são comparadas com as projeções de outras instituições de referência. Como referido na nota introdutória, a comparabilidade das previsões do MF encontra-se limitada pelo facto de o cenário macroeconómico incluir o impacto, direto e indireto, de medidas de política, enquanto os cenários apresentados por outras instituições não incorporam o impacto de medidas de política que não tenham ainda sido legisladas à data da sua elaboração. Adicionalmente, no presente parecer, a comparabilidade dos cenários é condicionada pelo facto de o cenário do MF incorporar as Contas Nacionais na nova base 2021 (e que sucedem às anteriores em base 2016), publicadas pelo INE no passado dia 23 de setembro.

As previsões do MF para o crescimento da economia portuguesa em 2024 e 2025, encontram-se globalmente alinhadas com as de outras instituições. Observam-se, contudo, alguns desvios em algumas das suas componentes face à média ponderada das projeções das demais instituições, nomeadamente no deflator do PIB em 2024 e na FBCF para 2025. Para um maior detalhe relativo à conciliação das previsões do MF relativas a estes anos, consultar o [Parecer n.º 02/2024](#) do CFP.

Para os anos subsequentes, as previsões do MF para o crescimento da atividade económica encontram-se igualmente alinhadas com as de outras instituições. A previsão do MF de um crescimento de 2,2% da atividade económica em 2026 é idêntica à avançada pelo BdP, e apenas ligeiramente superior aos valores avançados quer pelo CFP, quer pelo FMI. A previsão para 2027, de um crescimento de 1,7%, encontra-se balizada, enquanto para 2028, o crescimento previsto de 1,8% é apenas marginalmente inferior às projeções do CFP e FMI, as únicas disponíveis neste horizonte.

Ao nível da sua composição verificam-se diferenças face às projeções das demais instituições em relação à evolução da FBCF, do consumo público e das exportações. No caso do investimento, a projeção do MF (3,7%) em 2026, último ano de execução do PRR, é inferior aos valores avançados quer pelo CFP (5%), quer pelo BdP (5,1%), e encontra-se balizada no limite inferior apenas pela projeção do FMI (2,1%), que é substancialmente inferior à das restantes instituições, podendo constituir um *outlier*. A projeção para 2027 (1,8%), ano após o término da execução do PRR, encontra-se ligeiramente acima da projeção avançada pelo FMI e contrasta com a expectativa de uma contração avançada pelo CFP (-2,4%). No caso das exportações, observa-se que esta variável se situa no limite (2026) ou excede o intervalo das previsões das restantes instituições (2027 e 2028).

Relativamente aos preços, as previsões do MF quer para o IHPC, quer para o deflator do PIB, no médio-prazo, encontram-se alinhadas com as de outras instituições. No caso da previsão para o deflator do PIB, observa-se que o MF (2%) antecipa uma desaceleração mais rápida deste indicador em 2026, quando comparado com o CFP (2,5%), sendo que esta diferença resulta, sobretudo, da expectativa, por parte do MF, de uma desaceleração mais intensa do deflator do consumo público. Esta desaceleração é também mais intensa do que a projetada pelo BdP (2,7%). Ainda assim, quando comparada com o FMI, a previsão do MF apresenta um perfil semelhante. No médio prazo, é transversal a antecipação de que o ritmo de crescimento do deflator do PIB estabilize em torno de 2%. No caso do IHPC, a expectativa do MF, de uma convergência da inflação para valores em torno de 2% a partir de 2026, é igualmente partilhada pelas demais instituições.

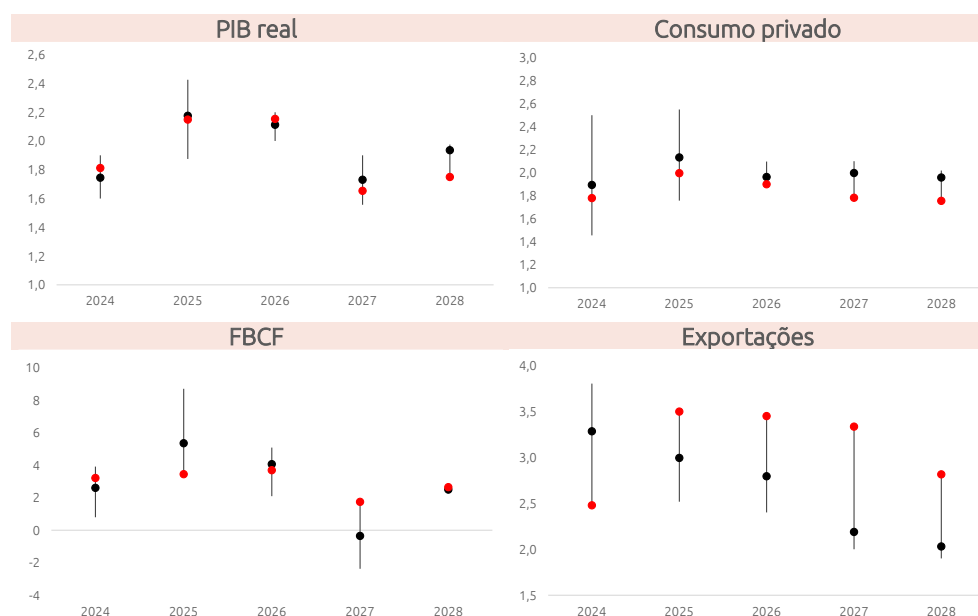
As previsões do MF para o ritmo de crescimento do emprego encontram-se globalmente balizadas. O MF prevê, no médio prazo, uma gradual desaceleração no ritmo de criação de emprego, em linha com as condicionantes demográficas, um perfil que é partilhado pelas restantes instituições. Ainda assim, importa salientar que, no final do horizonte de projeção, a previsão do MF (0,3%) se encontra no limite superior do intervalo de projeções das outras instituições, delimitado, pela projeção do FMI (0,3%) e do CFP (0%).

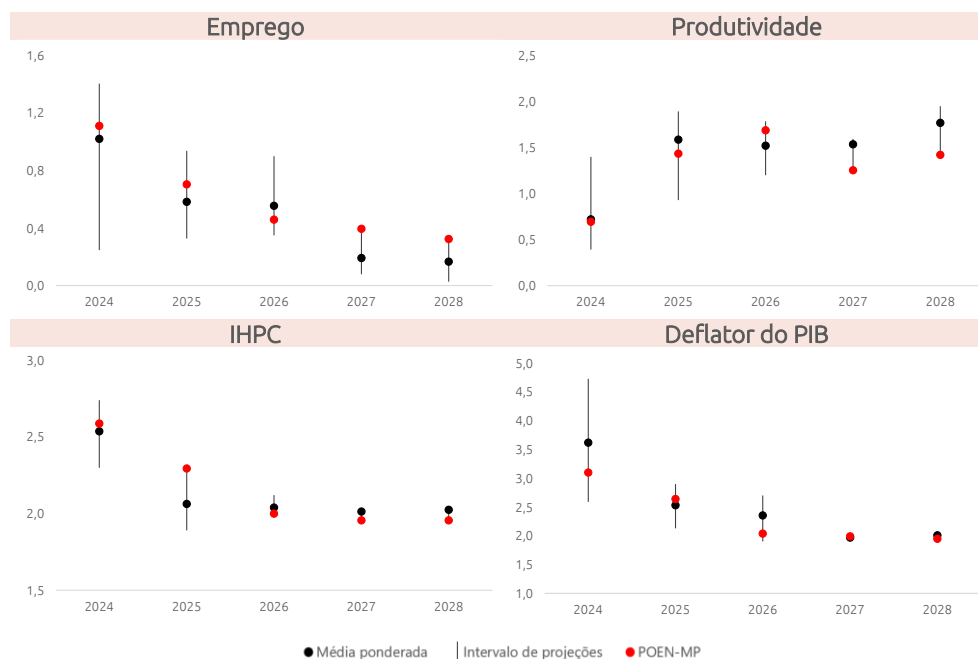
Relativamente à taxa de desemprego, a previsão do cenário do MF situa-se ligeiramente acima do inscrito nos cenários de outras instituições no médio-prazo. Mais concretamente, não obstante ser transversal a expectativa de uma ligeira redução na taxa de desemprego até 2028, a previsão avançada pelo MF (6,3%) situa-se ligeiramente acima das projeções avançadas quer pelo CFP (6%), quer pelo FMI (6,2%).

A previsão para o crescimento da produtividade aparente do trabalho no médio-prazo está em linha com os valores projetados por outras instituições. Não obstante a previsão do MF ser elevada em termos históricos, esta encontra-se alinhada com as projeções das demais instituições consideradas no **Quadro 2**, sendo, inclusive, em 2028, ligeiramente inferior ao valor avançado pelo FMI e CFP.

As previsões para a capacidade de financiamento da economia portuguesa encontram-se no limite superior do intervalo das projeções divulgadas em 2025, mas são superiores a estas em 2027 e 2028. Observam-se, contudo, algumas diferenças quanto à sua composição. Relativamente ao saldo da balança corrente, as previsões avançadas estão geralmente abaixo do projetado pelas demais instituições, associado, entre outros, à expectativa de saldos da balança de bens e serviços inferiores. Já a previsão para o saldo da balança de capital avançada pelo MF, o qual converge para valores em torno de 1,8% do PIB no médio-prazo, é relativamente elevada quando comparada com a evolução desta rubrica na última década, e situa-se acima dos valores avançados pelo CFP.

Gráfico 2 – Enquadramento das previsões do POEN-MP (variação, %)





Fonte: POEN-MP e cálculos do CFP. | Nota: a média ponderada das taxas de variação apresentadas por outras instituições (BdP, CE, CFP, FMI e OCDE) é calculada ponderando o indicador respetivo de cada instituição (Quadro 2) com a percentagem de informação disponível à data de cada exercício de projeção. A percentagem representa o tempo decorrido entre a data de publicação das projeções das instituições consideradas e a publicação do PE. Para o indicador j da instituição i , o ponderador ($P_{j,i}$) é obtido da seguinte forma: $P_{j,i} = \frac{1 - D_{j,i}/360}{P_j}$, em que $D_{j,i}$ é o número de dias (em 360 dias) entre a data de entrega do PE e a publicação das projeções da instituição i , e $P_j = \sum_{i=1}^n (1 - D_i/360)$. O intervalo de projeções é definido pelas previsões das instituições consideradas no Quadro 2, excluindo as do MF. Para cada variável em análise, a comparação das previsões do MF só se realiza quando estão disponíveis duas ou mais projeções alternativas.

Quadro 2 – Previsões e projeções para a economia portuguesa

Ano Instituição Data de publicação	2023				2024				2025				2026				2027				2028			
	OCDE mai24	CE mai24	CFP set24	FMI out24	BdP out24	MF out24	OCDE mai24	CE mai24	CFP set24	FMI out24	BdP out24	MF out24	CFP set24	FMI out24	BdP out24	MF out24	CFP set24	FMI out24	BdP out24	MF out24	CFP set24	FMI out24	BdP out24	MF out24
PIB real e componentes (variação, %)																								
PIB	2,5	1,6	1,7	1,8	1,9	1,6	1,8	2,0	1,9	2,4	2,3	2,1	2,1	2,1	2,0	2,2	2,2	1,6	1,9	1,7	2,0	1,9	1,8	1,8
Consumo privado	2,0	1,5	1,8	1,8	1,7	2,5	1,8	1,8	1,9	2,5	1,9	2,3	2,0	2,1	1,9	1,9	1,9	2,1	1,9	1,8	2,0	1,9	1,8	1,8
Consumo público	0,6	1,7	2,1	1,5	2,1	1,0	2,6	1,4	1,2	2,4	2,3	0,9	1,2	1,6	2,7	0,8	0,9	0,0	3,1	0,3	1,0	2,2	0,5	0,3
Investimento (FBCF)	3,6	3,9	3,9	2,0	3,5	0,8	3,2	4,0	3,7	8,7	3,9	5,4	3,5	5,0	2,1	5,1	3,7	-2,4	1,6	1,8	2,7	2,3	2,7	2,7
Exportações	3,5	3,1	2,8	3,6	2,8	3,8	2,5	3,3	2,5	2,8	3,0	3,3	3,5	2,6	2,4	3,4	3,4	2,4	2,0	3,3	2,2	1,9	2,8	2,8
Importações	1,7	4,2	4,1	3,6	3,3	4,5	2,9	3,6	3,2	5,0	2,9	4,4	3,5	3,4	2,6	3,7	3,4	1,0	2,3	3,2	2,2	2,1	2,9	2,9
Contributos para o crescimento real do PIB (p.p.)																								
Procura interna	1,7	2,1	2,2	1,8	2,1	-	2,0	2,1	2,1	3,5	2,3	-	2,1	2,5	2,1	-	2,1	0,9	2,1	1,6	2,0	2,0	1,8	1,8
Exportações líquidas	0,8	-0,5	-0,6	0,0	-0,2	-	-0,2	-0,1	-0,3	-1,0	0,1	-	0,0	-0,4	-0,1	-	0,0	0,6	-0,1	0,1	0,0	-0,1	0,0	0,0
Preços (variação, %)																								
Deflador do PIB	6,9	2,7	2,6	4,7	2,8	4,5	3,1	2,2	2,1	2,7	2,4	2,9	2,6	2,5	1,9	2,7	2,0	2,0	1,9	2,0	2,0	2,0	2,0	2,0
Deflador do consumo privado	4,4	2,5	2,3	2,6	-	-	2,4	2,0	2,0	2,3	-	-	2,0	2,2	-	-	1,8	2,1	-	1,9	2,0	-	1,9	2,0
Deflador do consumo público	5,0	4,2	3,7	4,9	-	-	4,2	2,9	2,1	3,2	-	-	4,3	3,0	-	-	2,2	2,3	-	2,1	2,2	-	2,0	2,0
Deflador da FBCF	3,4	1,8	2,1	2,3	-	-	2,4	2,1	2,1	2,2	-	-	2,5	2,0	-	-	2,4	2,0	-	2,1	2,0	-	2,1	2,1
Deflador das exportações	1,3	0,4	1,8	1,6	-	-	0,5	2,0	1,8	1,9	-	-	1,5	1,9	-	-	1,6	2,0	-	1,5	2,0	-	1,6	2,0
Deflador das importações	-3,6	0,0	1,5	-2,2	-	-	-0,4	1,9	1,6	1,6	-	-	1,1	1,8	-	-	1,5	1,9	-	1,4	2,0	-	1,5	2,0
IHPC	5,3	2,4	2,3	2,7	2,5	2,6	2,6	2,0	1,9	2,2	2,1	2,0	2,3	2,1	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0
PIB nominal																								
Variação (%)	9,6	4,4	4,4	6,6	4,8	-	5,0	4,3	4,0	5,2	4,8	-	4,8	4,7	3,9	-	4,2	3,6	3,8	3,7	4,0	3,9	3,7	3,7
Mercado de trabalho (variação, %)																								
Taxa de desemprego (% pop. ativa)	6,5	6,3	6,5	6,5	6,5	6,4	6,6	6,2	6,4	6,4	6,4	6,5	6,5	6,2	6,3	6,4	6,4	6,2	6,2	6,4	6,0	6,2	6,3	6,3
Emprego	1,0	0,2	1,0	1,4	1,0	1,1	1,1	0,3	0,9	0,7	0,4	0,6	0,7	0,3	0,4	0,9	0,5	0,1	0,3	0,4	0,0	0,3	0,3	0,3
Remuneração média por trabalhador	8,0	5,6	3,3	7,3	-	7,4	6,0	3,6	2,8	4,5	-	4,4	4,7	3,8	-	4,0	4,2	3,7	-	3,3	3,4	-	3,4	3,4
Produtividade aparente do trabalho	1,5	1,4	0,7	0,4	0,9	0,5	0,7	1,7	0,9	1,7	1,9	1,5	1,4	1,8	1,6	1,2	1,7	1,5	1,6	1,3	1,9	1,6	1,4	1,4
Sector externo (% PIB)																								
Capacidade líquida de financiamento	1,6	-	2,1	3,2	-	-	4,2	3,4	-	1,9	4,0	-	4,1	3,7	3,9	-	4,0	3,9	2,5	-	3,0	2,4	-	3,1
Balança corrente	0,2	1,0	0,8	2,2	2,0	-	0,9	0,8	0,6	1,8	2,3	-	0,8	1,5	2,2	-	1,0	1,8	1,1	1,7	1,5	1,3	1,3	1,3
Balança de bens e serviços	0,9	0,6	0,4	2,5	1,2	2,5	1,1	0,4	0,2	1,7	1,8	2,1	1,3	1,4	1,7	2,1	1,3	2,0	1,6	1,4	2,0	1,5	1,4	1,4
Balança de rend. primários e transf.	-0,7	0,4	0,4	-0,4	0,8	-	-0,2	0,4	0,4	0,1	0,5	-	-0,4	0,1	0,5	-	-0,3	-0,3	0,2	-0,4	-0,3	0,0	-0,2	-0,2
Balança de capital	1,4	-	1,3	1,0	-	-	2,5	-	1,2	2,2	-	-	2,8	2,4	-	-	2,9	0,8	-	1,9	0,7	-	1,8	1,8
Desenvolvimentos cíclicos																								
PIB potencial (variação, %)	-	1,7	2,2	2,3	2,5	-	2,4	1,6	2,2	2,5	2,4	-	2,1	2,3	2,3	-	2,0	2,0	2,2	1,7	1,9	2,1	1,6	1,6
Hiato do produto (% PIB potencial)	-	-0,7	0,9	0,7	1,0	-	0,6	-0,3	0,6	0,6	0,9	-	0,6	0,5	0,6	-	0,8	0,0	0,4	0,8	0,1	0,2	0,9	0,9
Finanças públicas (% PIB)																								
Saldo orçamental	1,2	0,3	0,4	0,7	0,2	-	0,4	0,3	0,5	0,4	0,2	-	0,3	0,1	0,2	-	0,1	0,5	0,2	1,1	0,4	0,2	1,3	1,3

Fontes: 2023: INE (Contas Nacionais - Base 2021). 2024-2028: OCDE - *Economic Outlook No 115*, maio 2024; CE - *Spring 2024 Economic Forecast*, maio 2024; CFP - Perspetivas Económicas e Orçamentais 2024-2028 (atualização), setembro 2024; FMI - *Article IV Consultation*, outubro 2024; BdP - Boletim Económico, outubro 2024; MF - Plano Orçamental-Estrutural Nacional de Médio Prazo, outubro 2024.

PRINCIPAIS CONSIDERAÇÕES

Neste Parecer, o Conselho das Finanças Públicas avalia as estimativas e previsões macroeconómicas no cenário macroeconómico de médio prazo apresentado pelo MF. Contudo, a elaboração deste Parecer foi condicionada pelos factos enumerados na Introdução. A sua leitura deve, assim, ser contextualizada pelos mesmos.

As principais considerações ao cenário macroeconómico para os anos de 2024 e 2025 constam do [Parecer n.º 02/2024](#) do CFP às previsões macroeconómicas subjacentes à POE/2025.

A elaboração do cenário macroeconómico subjacente ao POEN-MP ocorre num contexto pautado por uma elevada incerteza, particularmente externa, e que inclui, entre outros, tensões geopolíticas relevantes, associadas à fragmentação do comércio mundial e conflitos armados, com potencial para introduzir novas perturbações nas cadeias de produção e de alimentar o recrudescimento do preço das matérias-primas energéticas, de enfraquecer a confiança e o investimento. Mais recentemente, a dificuldade sentida na indústria automóvel europeia pode vir a ter repercussões na economia portuguesa não contempladas nas previsões das instituições de referência, e consequentemente também não refletidas nas hipóteses externas deste exercício de previsão.

Da avaliação realizada releva-se que:

- O cenário macroeconómico inscrito no POEN-MP está globalmente enquadrado com as previsões e projeções mais recentes conhecidas para a economia portuguesa para o período 2024-2028 (Quadro 2 e Gráfico 2).
- Tendo em conta a informação mais atual disponível para a conjuntura nacional e internacional, as previsões para 2024-2028 encontram-se dentro do limite de previsões prováveis.
- Ao longo de todo o horizonte de projeção, a dinâmica projetada para o investimento não aparenta incorporar o perfil de execução assumido para os fundos do PRR. A dissonância é particularmente evidente em 2027, ano em que a revisão significativa em alta face ao apresentado no PE/2024 não encontra justificação nas hipóteses de enquadramento, particularmente a quebra de 1,5% do PIB de investimento público financiado por este instrumento, cujo prazo de execução termina em 2026. Acresce que a implementação do PRR poderá sofrer ainda alterações, com impacto relevante nas perspetivas para a procura interna e para a evolução do *stock* de capital e, bem assim, do crescimento potencial da economia portuguesa, em virtude de uma execução potencialmente inferior ao assumido pelo MF.
- A estimativa apresentada para o hiato do produto apresenta um perfil ascendente ao longo do horizonte de projeção, e um nível significativamente positivo em 2028. Tal não aparenta ser coerente com o restante cenário macroeconómico apresentado. Esperar-se-ia que no final do horizonte de projeção este hiato convergisse para valores próximos de zero, o que não sucede. A não disponibilização de informação adicional

para o cálculo do PIB potencial utilizando a metodologia comum da UE (EUCAM), bem como a não disponibilização da Tabela 7-A do POEN-MP não permite recalculer o produto potencial, e consequentemente o hiato do produto compatível com a previsão para o PIB real e demais variáveis da previsão macroeconómica. Recordar-se que a estimativa para o hiato do produto afeta o cálculo dos saldos orçamentais ajustados do ciclo, essenciais na computação da trajetória para a taxa de crescimento das despesas líquidas.

- A elaboração deste Parecer restringiu-se aos elementos do cenário macroeconómico recebidos pelo CFP, não abrangendo os pressupostos necessários ao cálculo da trajetória das despesas líquidas, uma vez que não foram facultados ao CFP os pressupostos metodológicos utilizados no cálculo do compromisso da trajetória das despesas líquidas que constará no POEN-MP. O CFP também não teve acesso a essa trajetória, nem à trajetória de referência. Não teve igualmente acesso à identificação e quantificação do impacto de eventuais medidas de política incorporadas no cenário macroeconómico.

CONCLUSÃO

A conclusão desta análise do Conselho das Finanças Públicas tem em conta os princípios do artigo 8.º da [Lei de Enquadramento Orçamental](#) (Lei n.º 151/2015, de 11 de setembro): “*As projeções orçamentais subjacentes aos documentos de programação orçamental devem basear-se no cenário macroeconómico mais provável ou num cenário mais prudente*”. Este mesmo princípio orientador de utilização de previsões realistas para a condução das políticas orçamentais encontra-se também vertido na legislação europeia, em particular no Pacto de Estabilidade e Crescimento e na [Diretiva n.º 2011/85/UE do Conselho de 8 de novembro de 2011](#), que estabelece requisitos aplicáveis aos quadros orçamentais dos Estados-Membros.

Nos termos do número 2 do artigo 11.º do [Regulamento 2024/1263](#) do Parlamento Europeu e do Conselho de 29 de abril de 2024, e tendo em consideração as condicionantes identificadas à análise das previsões macroeconómicas subjacentes ao Plano Orçamental-Estrutural Nacional de Médio Prazo, o Conselho das Finanças Públicas considera as estimativas e previsões para a evolução do PIB real e respetivo deflator como prováveis e plausíveis. As estimativas apresentadas para a taxa de crescimento do PIB potencial, bem como para o hiato do produto, não aparentam ser coerentes com o restante cenário macroeconómico apresentado.



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