Conselho das Finanças Públicas

OPINION ON THE ANNUAL PROGRESS REPORT 2026

April 2026

Opinion No.
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The Portuguese Public Finance Council is an independent body, established by Article 3 of Law No. 22/2011 of 20 May, which introduced the fifth amendment to the Fiscal Framework Law (Law No. 91/2001 of 20 August, republished by Law No. 37/2013 of 14 June).

The initiative for its creation followed the publication of the Final Report of the Task Force for the European Council on the economic governance of Europe and was implemented in October 2010 through a protocol between the Government, then supported by the Socialist Party, and the Social Democratic Party. The final version of the CFP's Statutes was approved by Law No. 54/2011 of 19 October.

The CFP began its work in February 2012, with the mission of conducting an independent assessment of the consistency, compliance and sustainability of fiscal policy, promoting its transparency, in order to contribute to the quality of democracy and economic policy decisions and to strengthen the State's financial credibility.

This Opinion was prepared on the basis of information available up to 24 April 2026.

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INTRODUCTION

The European Union's new legal framework for economic governance, introduced in April 2024, provides for the publication of an 'Annual Progress Report' (APR). This is "a report by a Member State on the implementation of the National medium-term fiscal-structural plan, including the net expenditure path as determined by the Council and the reforms and investments", in accordance with the legal definition in Article 2(7) of Regulation (EU) 2024/1263 of the European Parliament and of the Council of 29 April 2024, hereinafter referred to as the 'Regulation', on the effective coordination of economic policies and multilateral fiscal surveillance and repealing Council Regulation (EC) No 1466/97. It should be noted that, in October 2024, the Portuguese Government submitted the National medium-term fiscal-structural plan (POEN-MP) to the European institutions, and the Portuguese Public Finance Council (CFP), in accordance with its remit and responsibilities, analysed it after issuing an Opinion on the macroeconomic forecasts underlying the said Plan.

The APR must be submitted by 30 April each year. Article 21(2) of the Regulation specifies that "The annual progress report shall contain, in particular, information on progress made in implementing the net expenditure path as determined by the Council, on the implementation of broader reforms and investments in the context of the European Semester and, where applicable, the implementation of the set of reforms and investments justifying an extension of the adjustment period". Its content is specified in the "Guidelines for Member States on reporting requirements for medium-term fiscal and structural plans and annual progress reports", published in June 2024 in the Official Journal.

The APRs do not re-examine the core policy commitments set out in the medium-term plans. This is a key difference from what previously occurred with the stability programmes. Macroeconomic and fiscal variables must be presented up to the year to which the APR relates (in this case 2025) and, on an optional basis, for the following year (in this case 2026).

Article 23 of the Regulation provides that Member States '(…) may request the competent independent fiscal institution (…) to provide an assessment of the compliance of the fiscal implementation data reported in the annual progress report with the net fiscal trajectory as determined by the [EU] Council'. It also provides that "Where appropriate, Member States may request the competent independent fiscal institution to analyse the factors underlying a deviation from the net expenditure path as determined by the Council. Such an analysis is non-binding and complementary to that of the Commission."

In this context, on 4 March, the Ministry of Finance (MF) requested a set of documents from the CFP. In particular, the institution was asked to prepare: a) an Opinion on the updated macroeconomic scenario underlying the APR, for the year 2026; and b) an Opinion pursuant to Article 23(1) of the Regulation regarding the "assessment of the compliance of the fiscal implementation data reported in the annual progress report with the net expenditure path as determined by the Council", and, if necessary, an analysis of the "factors underlying a deviation from the net expenditure path as determined by the Council", for the year 2025.

The numerical information was received on 16 April. The Ministry of Finance informed the CFP that, as the changes to the 2026 State Budget regarding the measures under consideration were limited, there was no justification for submitting the baseline macroeconomic forecasts, and therefore only submitted the policy scenario for an Opinion on 16 April (D-10). It should be noted that, under the terms of the Protocol between the MF and the CFP, the baseline scenario was due to be submitted on 2 April (D-20). Following receipt of this first version of the programme scenario, further clarifications were requested on 20 April, which were received on 22 April. A meeting between the technical teams of the MF and the CFP took place on the same day. The final version of the information to be included in the APR was submitted on 24 April.

OPINION ON NET EXPENDITURE IN 2025

This Opinion focuses on the compliance of net expenditure growth in 2025 with the commitment made by the Portuguese State within the European framework. Following the approval of the reform of the European Union's economic governance at the end of April 2024, the Portuguese Government presented the 2025–2028 National medium-term fiscal-structural plan (POEN-MP) in October 2024. In that document, it committed to a specific path of net expenditure growth, which was subsequently approved by the Council of the EU, becoming the path adopted under the terms of the European Council's Recommendation of January 2025. In May of this year, the control account will be established.[1]

Calculation of net expenditure for the year 2025

The statistical data relevant to the calculation of net expenditure, published by INE, has been subject to significant revisions compared with the data on which the CFP's Opinion on the APR/2025 was based. As part of the first 2026 notification under the Excessive Deficit Procedure (EDP), public expenditure calculated for the financial years 2023 and 2024 was revised upwards by €279 million and €838 million, respectively, compared to the figures considered by the CFP in its Opinion on the APR/2025. These revisions also affected expenditure financed by European funds and the corresponding national co-financing.

The quantification of Discretionary Revenue Measures (DRMs) is a key factor in calculating net expenditure, which is subject to significant revisions. The quantification of DRMs is particularly uncertain. This is due, in part, to provisional estimates regarding PIT and CIT, as well as to different methodological aspects of costing that may entail non-negligible differences. The final calculation of net expenditure to be included in the control account depends on the DRMs to be considered by the European Commission (EC), as well as on the respective quantification carried out by this institution.[2] Figure 1 highlights the uncertainty surrounding the quantification of MDRs for the years 2024 and 2025, illustrating the variability of estimates over time and depending on the entity responsible for their assessment.

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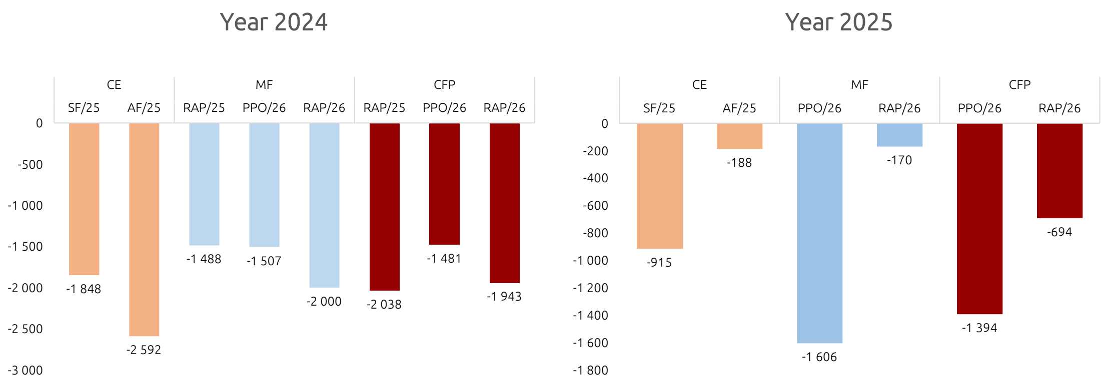
[1] The monitoring account to be established by the European Commission for each Member State in May 2026 is intended to record cumulative upward and downward deviations in the observed net expenditure trend relative to the path recommended by the Council of the EU. A debit/credit is recorded in the monitoring account when the observed net expenditure of the Member State in question in a given year is higher/lower than the net expenditure path approved by the Council.

[2] The final validation of this indicator only takes place within the framework of the Spring Package of the European Semester, following the submission of the Annual Progress Report by the Member States.

Chart 1 – The different MDR estimates used for 2024 and 2025 (in €m)



Source: Ministry of Finance (MF), European Commission (EC) and CFP. | Notes: (i) SF and AF – European Commission's spring and autumn forecasts, respectively; (ii) APR – report by the MF in the context of the request for analysis of the 2025 and 2026 Annual Progress Reports; (iii) PPO – Draft Fiscal Budgetary Plan for 2026, presented in October 2025. The negative sign of the MDR reflects discretionary revenue-reducing measures that increase net expenditure and consequently its growth rate.

The quantification of the MDRs presented by the Ministry of Finance for the years 2024 and 2025 has been updated. With regard to the quantification of the MDRs, a negative sign reflects the effect of measures that reduce revenue and consequently lead to an increase in net expenditure. For 2024, the amount calculated by the Ministry of Finance now stands at -€2,000 million, which represents an upward revision of the absolute value of the impact of revenue-reducing measures compared to previous estimates, both in the 2025 Budgetary Action Plan (APR 2025) and in the Draft Fiscal Plan for 2026 (PPO/2026). Conversely, for the year 2025, and compared with the assumptions in those two previous documents, the MF has revised downwards the absolute value of the MDRs, as illustrated in Chart 1. These changes result in a significant reduction in the adverse impact of the MDRs on the MF's calculation of net expenditure in 2025.

The 2024 fiscal year is relevant to the framework for assessing compliance with the net expenditure trajectory in 2025. The 2024 financial year influences the assessment of compliance with the recommended trajectory in two ways. Firstly, the 2024 outturn directly affects the calculation of the net expenditure growth rate in 2025, as it impacts its calculation base and, consequently, the **annual deviation** recorded.[3] Secondly, the **cumulative deviation** for 2025 reflects the deviations in expenditure in 2024 and 2025 from the recommended growth path.

Based on the available information, net expenditure before MDR is projected to grow by 10.0% in 2024 and 5.8% in 2025 (16.3% in cumulative terms). This trend is mainly driven by the contribution of primary current expenditure, reflecting primarily the increase in social benefits and staff costs. The remaining increase is

[3] Insofar as any revisions to the initial expenditure level, resulting from the final 2024 data, automatically affect expenditure growth in 2025 and, consequently, the assessment of compliance in 2025.

accounted for by investment expenditure financed by national funds. These results differ from those presented by the Ministry of Finance (9.8%) only in 2024, as a result of a *one-off item*.[4] Thus, in cumulative terms, the information presented by the Ministry of Finance implies a growth rate of 16.2% in 2025.

The CFP carried out an assessment of the plausibility of the estimates for the funding of the MDRs approved for the years 2024 and 2025. Based on the updated information provided by the MF regarding the quantification of the MDRs, the CFP carried out a critical assessment of this quantification, using its own estimates in some cases, and drawing on a technical discussion with the MF and technical clarifications obtained from the European Commission. Following this exercise, the CFP's calculation does not differ significantly from the amount of MDRs presented by the MF: for 2024, the CFP estimated -€1,943 million and the MF -€2,000 million; for 2025, the CFP estimated -€694 million and the MF -€170 million.

The most significant divergence in the quantification of the MDRs concerned the estimated fiscal impact of the changes introduced to the ISP in 2025. For this tax, there is a significant divergence in the estimate of the impact of the measure to update carbon rates and the tax in 2025, despite the apparent methodological alignment between the two institutions regarding the estimated figure for 2024. The MF estimated €712 million, whilst the CFP estimated €235 million (resulting from the observed rate updates), a figure more consistent with the €262 million increase in revenue (in national accounts) from this tax observed in 2025. According to the information provided to the CFP, the divergence in 2025 stems from the MF's use of a methodology based on estimating the potential impact on revenue associated with the carbon tax component. It should be borne in mind that a positive MDR reduces the growth of net expenditure, and therefore must be consistent with the increase observed in revenue.

With regard to the MDRs concerning CIT and IMT, the CFP accepted the Ministry of Finance's justifications, which were based on updated estimates of the fiscal impact, to be published in the 2025 tax expenditure report. With regard to CIT, specifically in relation to the Recovery Tax Incentive (2024 and 2025) and the extension of the Corporate Capitalisation Incentive (ICE) in 2024, the MF clarified that the figures contained in the 2024 tax expenditure report, previously used by the CFP, were not final data, with the AT/U-Tax having since prepared new estimates to be published in the 2025 tax expenditure report. A similar situation applies to IMT and the Youth Income Tax (IS Jovem) in 2024 and 2025. In the specific case of the PIT, there is a difference of €47 million compared to the MF, resulting from the updating of tax brackets based on the productivity component[5]

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[4] This slight difference (of 0.2 p.p.) in the growth rate stems from the CFP's consideration of a transaction relating to deferred tax assets requested by a banking institution (€117 million) in 2023.

[5] This measure results from the addition of Article 68-B to the Personal Income Tax Code in 2024, which stipulates that the annual review of taxable income brackets is based on changes in the GDP deflator and GDP per worker, with the aim of ensuring that taxation evolves in line with inflation and productivity gains. In accordance with European Commission guidelines, the automatic updating of PIT brackets that exceeds inflation (i.e. the productivity component) is considered a DRM.

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, as well as the automatic updating of specific PIT deductions by the value of the IAS (Table 3 in the Annex).[6]

Assessment of the 2025 deviation from the commitment made in the POEN-MP

Taking into account the CFP's quantification of the MDRs, an assessment of the alignment of fiscal execution data with the net expenditure path shows that the growth rate in 2025 was higher than that set out in the commitment made by Portugal and endorsed by the Council of the EU. The CFP calculated a 6.4% growth in net expenditure in 2025, exceeding the recommended growth rate of 5% by 1.4 percentage points. This difference corresponds to an annual deviation of 0.5% of GDP, exceeding the maximum annual threshold of 0.3% of GDP. However, for countries that have activated the national derogation clause regarding defence expenditure, only the cumulative deviation will be subject to assessment in an augmented control account.[7] In cumulative terms, taking into account the years 2024 and 2025, net expenditure increased by 19%, exceeding the maximum cumulative growth rate of 17.4% agreed with the Council of the EU.[8] This excess translates into a cumulative deviation of 0.5% of GDP, which is nevertheless below the maximum cumulative threshold of 0.6% of GDP (Chart 2 and Table 1).

Taking into account the flexibility margin associated with the national derogation clause applicable to the increase in defence expenditure does not alter the conclusions regarding the cumulative deviation in net expenditure of 0.5% of GDP. This flexibility margin applies to Member States that have activated the national derogation clause, as was the case with Portugal. The data reported by INE on defence expenditure, in accordance with the COFOG classification, shows a stabilisation compared to 2021, at 0.8% of GDP. This represents a zero increase in such expenditure. Consequently, there is no favourable effect on the augmented control account, and the cumulative deviation therefore remains at 0.5% of GDP (corresponding to €1,639 million).

[6] However, doubts remain regarding the classification, as an MDR, of the administrative measure relating to the extraordinary reduction in PIT withholding rates applied in 2024 and 2025, which had an impact on the temporal distribution of revenue from this tax.

[7] See European Commission Communication C(2025) 2000 final, dated 19 March 2025.

[8] The growth rate for 2024 does not constitute a recommendation, serving only to anchor the base year, since the last year for which implementation data was available at the time of defining the net expenditure trajectory was 2023. For 2024, the CFP projects net expenditure growth of 11.9%, compared with the 11.8% underlying the agreed path. The difference between the projected growth and that underlying the net expenditure path corresponds to an unfavourable deviation of less than 0.1% of GDP, which is carried forward to subsequent years. The recording of this deviation in the control account at the time of assessing the 2025 implementation data constitutes a debit that adds to the 2025 deviation.

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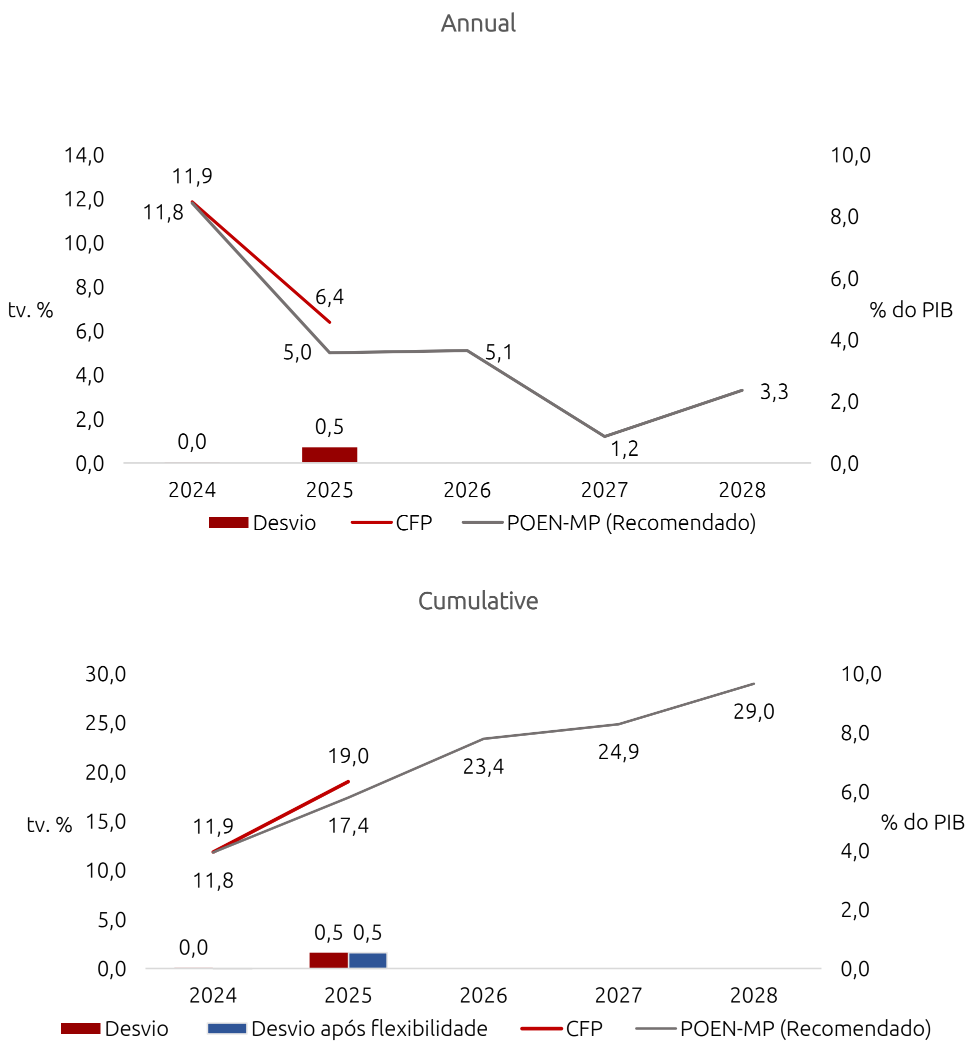
Chart 2 – Growth and deviation of net expenditure in 2025
(nominal rate of change in %; deviation in % of GDP)



Source: CFP calculations.

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Table1– Calculation of net expenditure (millions of euros)

	Fórmulas	Unidade	2023		2024		2025	
			MF	CFP	MF	CFP	MF	CFP
Despesa Total (da qual se exclui)	(1)	M€	113 641	113 641	122 805	122 805	130 941	130 941
Encargos com Juros	(2)	M€	5 553	5 553	5 935	5 935	5 965	5 965
Despesa cíclica com subsídio de desemprego	(3)	M€	121	122	138	138	59	59
Despesa financiada por fundos da UE	(4)	M€	3 289	3 289	3 400	3 400	4 717	4 717
Cofinanciamento nacional de programas financiados pela UE	(5)	M€	791	791	483	483	622	622
One-offs da despesa (nível, excl. Fundos da UE)	(6)	M€	1 144	1 261	0	0	218	218
Despesa líquida antes Medidas Discricionárias de Receita	(7)=(1-2-3-4-5-6)	M€	102 743	102 626	112 850	112 850	119 361	119 361
Variação da despesa Liquída antes MDR	(8)=(7(t)-7(t-1))	M€			10 106	10 224	6 511	6 511
Crescimento da Despesa Líquida antes MDR	(9)=(7(t)/7(t-1))				**9,8**	**10,0**	**5,8**	**5,8**
Medidas Discricionárias de Receita (incremental, excl. One-offs)	(10)	M€			-2 000	-1 943	-170	-694
Despesa líquida (inclui MDR)	(11)=(7)-(10)				**114 850**	**114 792**	**119 531**	**120 054**
Variação da despesa Líquida (inclui MDR)	(12)=(11(t)-7(t-1))	M€			12 106	12 167	6 681	7 205
Crescimento anual								
Crescimento da despesa líquida	(13)=(11(t)/7(t-1))	Δ %			**11,8%**	**11,9%**	**5,9%**	**6,4%**
POEN-MP | Recomendado	(14)	Δ %			11,8%		5,0%	
Crescimento Cumulativo								
Crescimento da despesa líquida	(15)	Δ %			11,8%	11,9%	18,4%	19,0%
Compromisso POEN-MP | Recomendado	(16)	Δ %			11,8%	11,8%	17,4%	17,4%
Desvios na trajetória da despesa líquida								
Desvio Anual	(17)=((13-14) x 7)	M€			13	88	1 028	1 551
Desvio Acumulado	(18) = (acum. do 17)	M€			13	88	1 041	1 639
PIB Nominal	(19)	M€	270 353	270 353	289 784	289 784	306 765,5	306 765
Conta de Controlo Aumentada								
Saldo Anual	(20)=(17/19)	% PIB			0,0	0,0	0,3	0,5
Saldo Acumulado	(21)=(18/19)	% PIB			0,0	0,0	0,3	0,5
Despesa com Defesa (COFOG)	(22)	% PIB					0,8	0,8
Flexibilidade decorrente do aum. das despesas com a defesa	(23)	% PIB					0,0	0,0
Saldo acumulado após flexibilidade	(24)=(21)-(23)	% PIB					**0,3**	**0,5**

Source: INE, MF. CFP calculations. | Note: The MF figures correspond to the amounts presented in the tables of the 2026 Annual Progress Report to be submitted to the European Commission. The CFP figures result from calculations based on statistical information published by INE in the first notification of the Excessive Deficit Procedure (EDP) for 2026, as well as on the quantification of one-off measures and discretionary revenue measures considered by the CFP in its assessment of the measures presented by the MF. Note (23) refers to the increases in defence expenditure compared with 2021.

OPINION ON THE MACROECONOMIC SCENARIO FOR 2026

This Opinion focuses on the external and technical assumptions, as well as the macroeconomic forecasts, presented by the MF for the year 2026. For the analysis of the programme scenario, the CFP used the following methods:

a) Technical analysis of the forecasts by CFP analysts;

b) Comparison with available and sufficiently up-to-date forecasts and projections produced by leading institutions: Banco de Portugal (BdP), the CFP and the International Monetary Fund (IMF);

c) The most recent statistical data produced by the national statistical authorities – the National Statistics Institute (INE) and the BdP;

d) Technical clarifications provided by the Ministry of Finance regarding the forecasts presented.

Presentation of the MF's forecast for 2026 and reconciliation with previous forecasts

In the macroeconomic scenario underlying the APR/2026, the MF estimates that Gross Domestic Product (GDP) in volume terms will grow by 2% in 2026, a marginal acceleration compared to the 1.9% observed in 2025 (Table2). This growth trajectory projected by the MF is based on the expectation of a decline (-1.2 p.p. to 2.5 p.p.) in the contribution of domestic demand, offset by a less negative contribution (+1.3 p.p. to -0.5 p.p.) from net exports, compared with that recorded in 2025.

The projected trend for economic growth is based on stronger investment and, to a lesser extent, exports. Indeed, the trend in domestic demand projected by the MF's scenario reflects an acceleration in the pace of investment growth (+2 p.p. to 5.6%), driven primarily by the public sector. Conversely, the MF anticipates a significant slowdown in private consumption growth (-1.7 p.p. to 1.8%) and a continuation of public consumption growth at 1.6%. The weaker momentum in private consumption reflects the expectation of lower growth in household disposable income, at 4.6%, following the 5.7% observed in 2025. On the other hand, the expected improvement in the contribution of net exports stems from an acceleration in the growth rate of exports of goods and services (1.1 p.p. to 1.5%) and a slowdown in the growth rate of imports (-1.7 p.p. to 2.6%). Nevertheless, the macroeconomic scenario implies a reduction in the share of exports in GDP to 43.5% (-0.2 p.p. compared to 2025).

Table2 – Forecasts and projections for the Portuguese economy

Ano	2025	2026				
Instituição		BdP	FMI	CFP	Média	MF
Data de publicação	mar26	mar26	abr26	abr26	ajustada	abr26
Hipóteses externas						
Procura externa (variação, %)	-	2,1	-	1,3	1,7	2,1
Preço do petróleo (Brent, USD)	68,3	82,0	80,2	86,6	82,9	85,9
Taxa de juro de curto prazo (%)	2,2	2,3	2,0	2,5	2,3	2,5
Taxa de câmbio	1,13	1,16	1,18	1,17	1,2	1,16
PIB real e componentes (variação, %)						
PIB	1,9	1,8	1,9	1,6	1,8	2,0
Consumo privado	3,5	2,0	-	2,1	2,0	1,8
Consumo público	1,6	1,2	-	2,0	1,6	1,6
Investimento (FBCF)	3,6	3,8	-	4,3	4,0	5,6
Exportações	0,4	1,4	2,0	1,0	1,4	1,5
Importações	4,3	1,9	4,2	2,5	2,9	2,6
Contributos para o crescimento real do PIB (p.p.)						
Procura interna	3,7	-	-	2,4	-	2,5
Exportações líquidas	-1,8	-	-	-0,7	-	-0,5
Preços (variação, %)						
Deflator do PIB	3,9	3,0	3,2	2,7	3,0	2,5
IHPC	2,2	2,8	3,1	2,9	2,9	2,5
PIB nominal						
Variação (%)	5,9	4,8	5,2	4,3	4,8	4,6
Nível (mil M€)	306,8	321,6	322,8	319,9	321,4	320,9
Mercado de trabalho (variação, %)						
População em idade ativa	1,4	0,4	-	0,5	0,5	-
População ativa	2,7	-	1,8	1,2	1,5	-
Taxa de desemprego (% pop. ativa)	6,0	5,9	5,9	5,8	5,9	6,0
Emprego	2,3	1,3	1,7	1,4	1,5	1,2
Remuneração média por trabalhador	4,8	4,0	-	3,8	3,9	4,6
Produtividade aparente do trabalho	-0,4	0,5	0,2	0,2	0,3	0,8
Desenvolvimentos cíclicos						
PIB potencial (variação, %)	-	-	2,1	2,0	2,1	2,0
Hiato do produto (% PIB potencial)	-	-	0,3	-0,4	-0,1	0,2

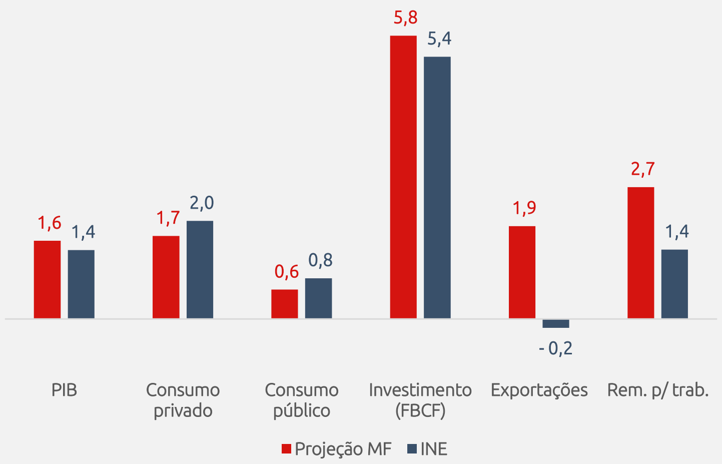
Sources: 2025: INE. 2026: BdP – Economic Bulletin, March 2026; IMF – *World Economic Outlook*, April 2026; CFP – Economic and Fiscal Outlook 2026–2030, April 2026; MF – information provided on 24 April 2026.

This forecast represents a downward revision compared with the scenario underlying the draft State Budget for 2026 (POE/2026), which projected GDP growth of 2.3%. This revision is mainly due to a less favourable outlook for the growth rate of private consumption (-0.9 percentage points), whilst the forecast for exports has also been revised downwards, albeit to a lesser extent (-0.3 percentage points). At the same time, the growth rates of investment (GFCF) and public consumption have been revised upwards (+0.1 p.p. and +0.4 p.p., respectively). It is also worth noting that, despite the marginal upward revision to aggregate investment growth, the data provided by the Ministry of Finance points to a restructuring of its composition, reflected in a substantial upward revision of public investment (from 6.8% to 55%, in nominal terms) and a downward revision of private investment, now implying a contraction in this component. According to clarifications from the Ministry of Finance, the significant revision to the public investment growth projection is underpinned by the forecast of full implementation of the RRP during the year.

Box 1 – The year 2025: how forecasts compare with observed data

In its analysis of the scenario presented in the POE/2026, the CFP examined the Ministry of Finance's projection for growth in the second half of 2025, the starting point for the forecasts for 2026. Taking into account the information available at the time for the National Accounts relating to the first half of 2025, the CFP calculated the rate of growth that would need to be achieved in the second half of the year for the MF's forecasts to materialise.

3 chart – Growth in the second half of 2025 compared to the previous half-year: projection and actual



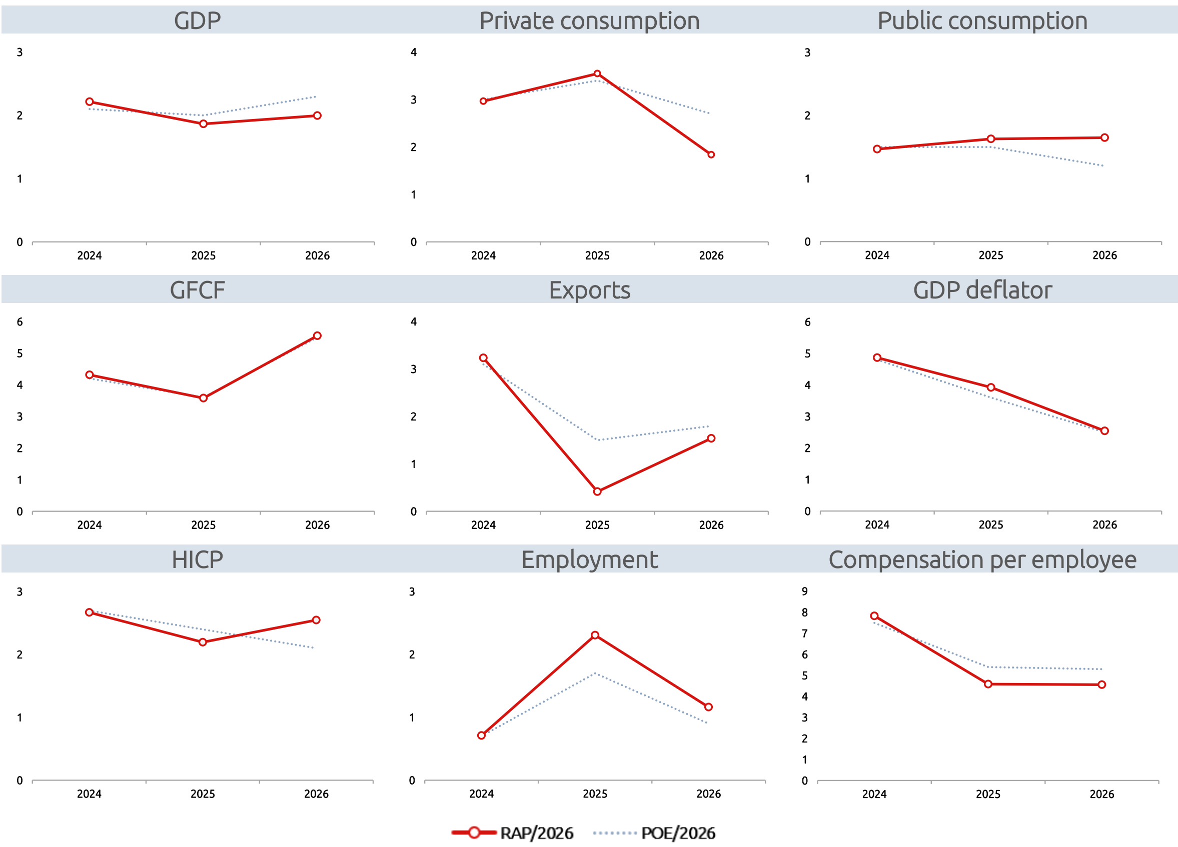
Source: INE and CFP calculations based on the POE/2026.

The greatest divergence centred on the forecasts for exports. In its Opinion, the CFP had noted that *"the projected growth is based on an expectation of export growth in the second half of 2025 that appears difficult to achieve*". Indeed, exports of goods and services contracted in the second half of the year, which contrasts with the expected growth of 1.9%. In part, export performance was constrained by the scheduled maintenance shutdown at the Sines refinery in the final quarter of the year, first announced in March 2025. The CFP also noted that the Ministry of Finance's forecast for compensation per employee depended on stronger growth in the second half of the year (2.7%) than that recorded in the first half, an expectation described as *"challenging*". INE confirmed the slowdown in growth of compensation per employee from 2.7% in the first half to 1.4% in the second. The3 illustrates the growth then projected by the MF for the components of GDP with the figures since calculated by INE.

With regard to prices, the macroeconomic scenario underlying the APR/2026 projects a slowdown in the implicit GDP deflator to around 2.5% in 2026 (3.9% in 2025). This trend is expected to result from the anticipated slowdown in the growth rate of most domestic demand deflators – notably the public consumption deflator (-2.2 p.p. to 3.2%) and gross fixed capital formation (GFCF) (-0.7 p.p. to 2.8%) – with the exception of the growth of the implicit private consumption deflator, which is expected to accelerate by 0.4 p.p. to 2.9%. The Ministry of Finance's anticipation of a deterioration in the terms of trade also contributes to this downward trajectory. This forecast for the evolution of the GDP deflator maintains the figure set out in the baseline scenario for the 2026 Economic Outlook. For inflation, as measured by the Harmonised Index of Consumer Prices (HICP), the scenario points to growth of 2.5% in 2026, an acceleration compared to that observed in 2025 (2.2%). This estimate constitutes an upward revision of the figure put forward in the POE/2026 (+0.4 percentage points). According to information provided by the Ministry of Finance, the breakdown of the HICP points to a 6% increase in the energy component. For the total HICP excluding energy products, the Ministry of Finance forecasts a 2.3% increase, which represents a slowdown compared to the 2.4% recorded in 2025. These forecasts may underestimate inflationary pressures and potential spillover effects, both domestically and externally, which in the current geopolitical climate affect the Portuguese economy, should rising production and distribution costs not be absorbed within companies' margins.

For the labour market, the macroeconomic outlook anticipates slower growth in employment. The Ministry of Finance forecasts that the number of people in employment will rise by 1.2% in 2026, a slowdown compared to the figure observed in the previous year (2.3%). This estimate represents an upward revision compared to the forecast published in the POE/2026, which anticipated growth of 0.9% in the same year. The unemployment rate is expected to remain unchanged at 6% of the labour force over the same period, which also reflects the maintenance of the estimate set out in the scenario underlying the POE/2026.

Chart 4 – Comparison of forecasts included in POE/2026 and APR/2026 (change, %)



Source: MF – POE/2026 and APR/2026.

The MF forecasts that average labour productivity will grow by 0.8% in 2026, a recovery compared with the previous year (-0.4%). This forecast revises upwards the October projection, which anticipated growth of 0.5%. The MF also anticipates a 4.6% increase in average compensation per employee in 2026 (-0.2 percentage points compared to the figure observed in 2025), a significant downward revision from the 5.3% projected in the scenario underlying the POE/2026. Taking into account the projected inflation trend for 2026 and productivity trends over the same period, the implied trajectory of unit labour costs points to upward pressure on consumer prices, which should be reflected in inflation projections. The downward revision now materialised is consistent with the statement in the Opinion on the macroeconomic forecasts underlying the Draft State Budget for 2026: *"the forecast for growth in compensation per employee for 2026, which is close to that expected for 2025, does not fit within the forecast presented for inflation and productivity and is also significantly higher when compared with known independent projections*".

Box 2 – The year 2026: the carry-over from 2025 and the forecast year-on-year growth

The economic growth forecast for a given year can be broken down into the carry-over[9] effect and intra-annual growth (specific to that year) [10]. Based on the available statistics from the Quarterly National Accounts for the year 2025, it is possible to estimate the contribution of the carry-over effect for 2026 and isolate the forecast for growth over the course of the year – the actual subject of the forecast (Chart 5).

The slight acceleration in projected GDP growth for 2026, of 0.1 percentage points, implies an expectation of intra-annual growth identical to that of 2025 (0.8%). The projection for GDP growth in 2026 benefits from a *carry-over* effect that is 0.1 percentage points higher than that recorded in 2025, which explains the acceleration forecast by the Ministry of Finance. Regarding the forecast for year-on-year growth, although identical to the level recorded in 2025, its composition is significantly different. Indeed, the Ministry of Finance anticipates significant slowdowns in private consumption (growth of 0.4%, compared to 1.4% in 2025) and public consumption (a more modest slowdown of 0.1 percentage points), in contrast to the strong momentum expected for investment and exports.

It should be noted that in October, in the POE/2026, private consumption was the component of aggregate demand with the highest projected year-on-year growth for 2026 and the only one whose year-on-year growth was higher than that of 2025. In its Opinion on the Macroeconomic forecasts underlying the DSB/2026 in October, the CFP noted that: *"private consumption benefits from the temporary impact of significant pro-cyclical measures to stimulate consumption implemented during the second half of the year. In the absence of policy measures*

[9] See https://www.cfp.pt/pt/glossario/carry-over-efeito-de.

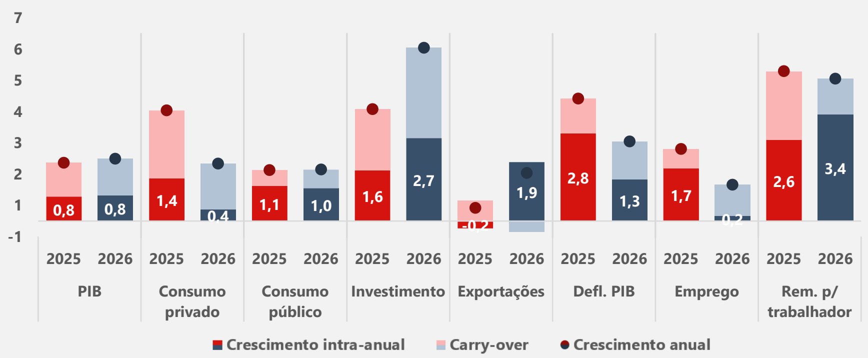
[10] See chapter 3 in ECB (2025). 'ECB staff macroeconomic projections for the euro area', september.

with a similar impact, as assumed by the MF, it is implausible to expect greater dynamism in private consumption in 2026 compared with the current year, which points to downside risks to the forecast presented." In the forecast now presented by the MF, private consumption shows year-on-year growth that is around a third of that recorded in the previous year.

The analysis reveals that investment and exports are the components of aggregate demand with the highest projected year-on-year growth for 2026. The forecast for year-on-year investment growth is 2.7%, compared with 1.6% in 2025. It is important to note that this expectation is based on a forecast of annual growth in public investment in 2026 of around 55%, in contrast to the expected decline in private investment. Year-on-year export growth of 1.9%, following a 0.2% decline in 2025, contrasts with a more unfavourable external environment, particularly in the wake of the economic consequences of the disruptions in the Strait of Hormuz. Furthermore, the performance of Portuguese exports has been disappointing, with losses in market share in th nd the s in 2025, compounded by pressures on price competitiveness linked to the appreciation of the euro and increases in unit labour costs. The economic indicators available to date point to weak performance in exports of goods and services in the first quarter of 2026.

With lower year-on-year employment growth in 2026, the GDP forecast depends on the realisation of productivity gains. The Ministry of Finance's forecast anticipates year-on-year employment growth of 0.2% in 2026, compared with growth of 1.7% in 2025. Consequently, the GDP growth forecast implies year-on-year productivity growth of 0.7%, compared with a decline of 0.9% in 2025. At the same time, the Ministry of Finance points to a slight acceleration in the year-on-year growth rate of compensation per employee from 0.8 percentage points to 3.4%, which appears implausible. Should inflation accelerate in 2026, this would have a lagged impact on the formulation of wage adjustments, particularly in a context of low productivity growth. This forecast also contrasts with the sharp slowdown expected for the GDP deflator, which, if it were to materialise, would imply a significant contraction in profit margins. The low plausibility of the outlook for compensation per employee in 2026 had already been noted in the Opinion on the macroeconomic forecasts underlying the POE/2026.

Chart 5 – Breakdown of annual growth forecast by the MF between *carry-over and* intra-annual growth



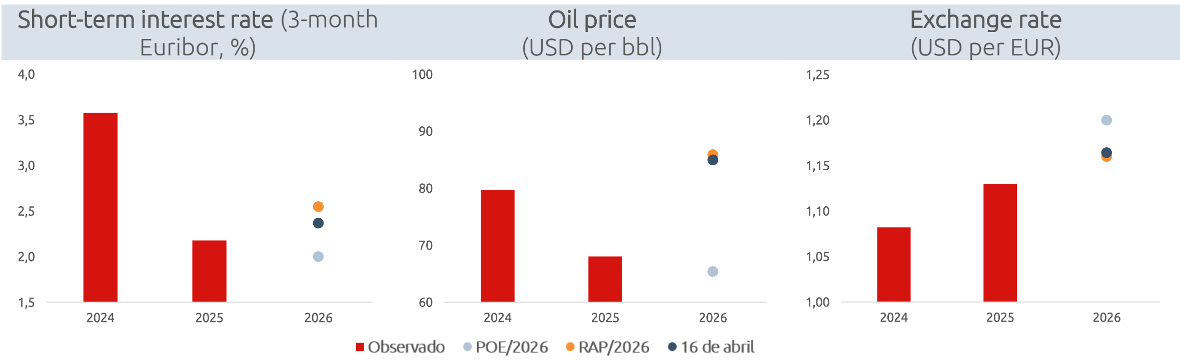
Source: APR/2026 and CFP calculations. | Note: the darker shade corresponds to intra-annual growth.

International framework assumptions

The development of a macroeconomic scenario is based on a set of external framework assumptions, which are exogenous to the exercise. This section analyses some of the technical assumptions, namely regarding the evolution of the euro-dollar exchange rate, the price of a barrel of oil and the short-term interest rate (Chart 6). The figures assumed in the APR/2026 are put into perspective with those used as a basis for the preparation of the POE/2026, and are validated by reference to market prices at the date of preparation of this document. The APR/2026 also presents assumptions for the long-term interest rate, the European Union's real GDP, global economic growth excluding the EU, imports excluding the EU, as well as external demand for Portugal. According to clarifications provided by the Ministry of Finance, the underlying assumptions were extracted or calculated on 8 April, approximately 22 days prior to the publication date of these projections. This time lag, against a backdrop of high volatility in energy commodity prices and uncertainty regarding the duration of the conflict in the Middle East, may compromise their timeliness.

The assumption regarding the evolution of the price of a barrel of Brent is consistent with market values and with the increase in external inflationary pressures. The APR/2026 anticipates a 26% increase in the price of oil in 2026, compared with 2025, to around $86/bbl. This figure represents a significant upward revision compared to October (when a 4% reduction was anticipated) and is in line with the average market prices in the ten days preceding the preparation of this report ($85/bbl).

Chart 6 – Technical assumptions underlying the POE/2026, APR/2026 and figures as at 16 April



Source: MF - POE/2026, APR/2026 and Macrobond.

The assumption for the short-term interest rate – 3-month Euribor – is in line with market rates, despite recent volatility. The APR/2026 assumes a short-term interest rate of 2.55%, which is 18 basis points higher than the average market rate in the 10 days preceding the preparation of this report (2.37%) and 55 basis points higher than that assumed in the POE/2026. It is worth noting that the shock in energy prices led to a significant rise in *yields*, which has since been slightly reversed by news regarding negotiations for a longer-term ceasefire. The projected rise in interest rates will increase the cost of corporate financing and, consequently, investment, as well as the financial situation of households with variable-rate mortgages.

The scenario for the exchange rate is supported by market figures. The APR/2026 assumes an appreciation of the euro against the dollar of around 3% compared to 2025, slightly lower than the appreciation of around 6% assumed in October.

The assumed external demand is in line with the technical assumptions published by the Bank of Portugal. The APR/2026 assumes growth in external demand for Portugal of 2.1%, in line with the assumption made by the Bank of Portugal in March, compared with 1.9% in the POE/2026. In this regard, it is worth recalling the recent statements by the President of the European Central Bank (ECB), who stated that the euro area economy had moved away from the central scenario presented in the ECB's latest projections, moving closer to the institution's adverse scenario. According to these scenarios, published on 19 March, the euro area economy was projected to grow by 0.9% in 2026 (1.5% in 2025) and inflation was projected to rise to 2.6% (2.1%). The adverse scenario pointed to growth of 0.6% and inflation of 3.5%. Such an impact would affect external demand for goods and services from the Portuguese economy.

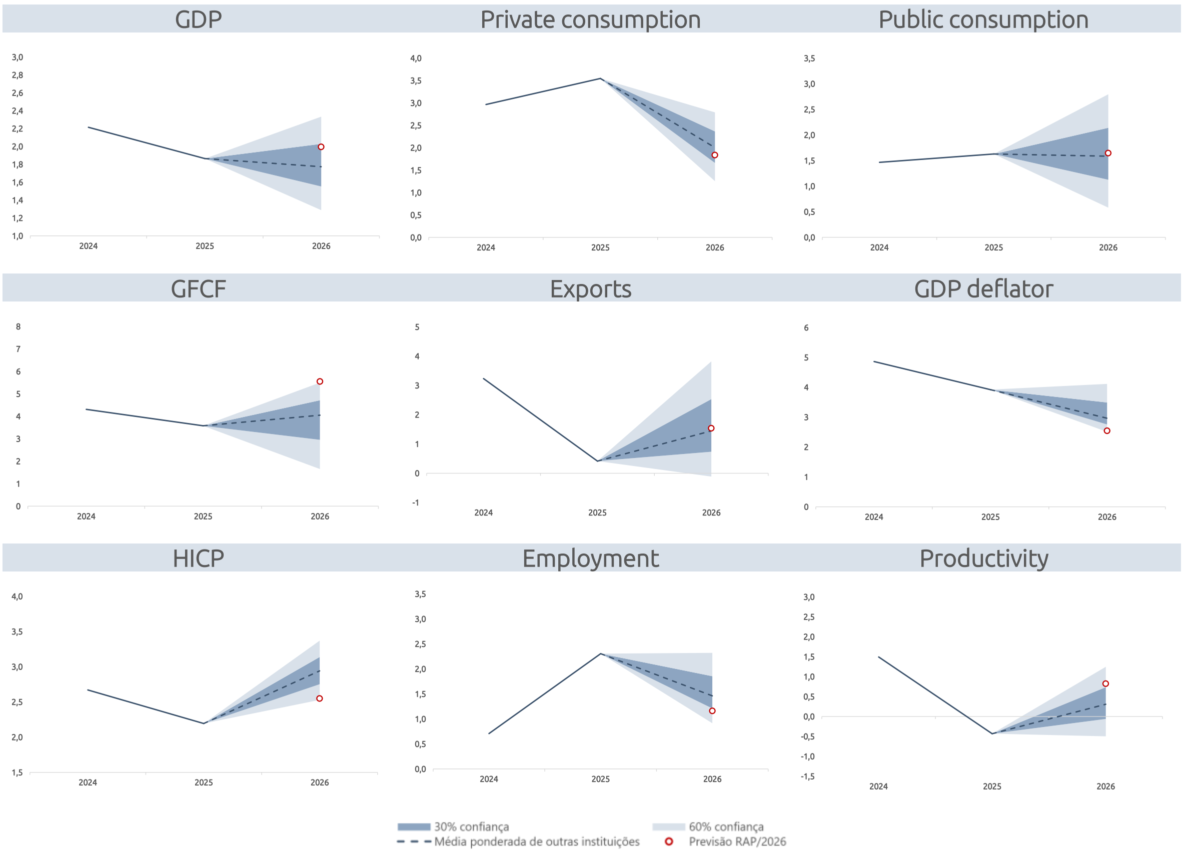
Comparison with forecasts from other institutions

In this section, the macroeconomic scenario of the APR/2026 is compared with that of other leading institutions. The particularly adverse context of the first few months of 2026 – marked by the storms in January and February and by increased geopolitical instability resulting from the US and Israeli military intervention in Iran – justifies the analysis considering only the most recent forecasts: that of the BdP, published in March, and those of the IMF and the CFP, both published in April. Comparability between scenarios remains, nevertheless, constrained by differences in the technical assumptions, models and judgements specific to each exercise. Furthermore, no new policy measures have been identified whose scale materially affects the comparability between the scenarios. In this regard, it should be noted that, according to information provided by the Ministry of Finance (MF), the macroeconomic scenario does not formally incorporate the impact of the PTRR – "Portugal Transformation, Recovery and Resilience".

The assessment of the scenario also takes into account the risk associated with the MF's forecasts. The weighted average projection of the other institutions is contextualised with confidence intervals based on their historical performance since 2000.[11] The relative position of the MF's forecasts vis-à-vis these intervals provides a further angle of analysis to corroborate the assessment of their probability. The results are presented inChart 7 .

[11] For further details on the methodology used to calculate the average projection and the database employed, see Leal, Martins and Marujo (2024). The average projection takes into account only the projections of the Bank of Portugal (BdP), the Council of Economic Policy (CFP) and the IMF. The confidence intervals are based on the root mean square error of the scenarios published between March and August, a period in which the information available on the current year is still limited.

Chart 7 – Forecast ranges associated with the MF's forecasts (change, %)

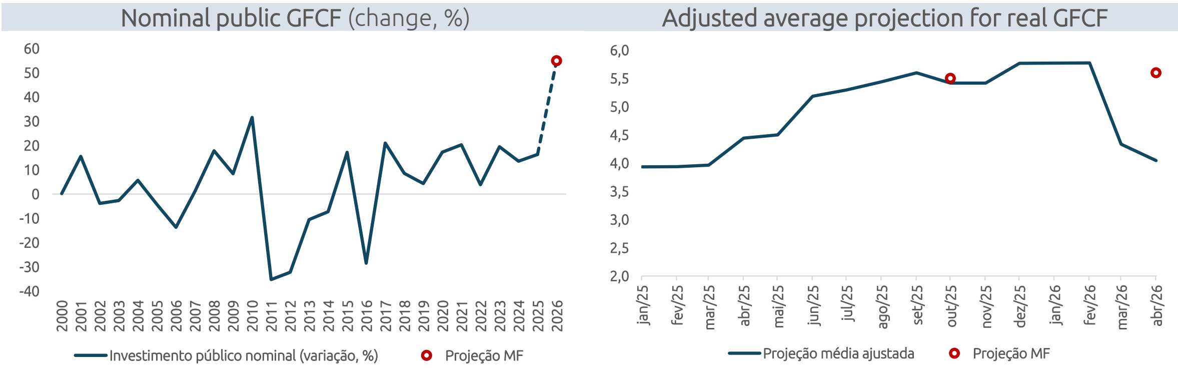


Source: APR/2026 and CFP calculations. The confidence intervals are based on the projection errors from 88 macroeconomic scenarios produced by the Bank of Portugal (BdP), the CFP and the IMF between 2000 and 2025 (excluding 2020–2022), carried out in the first half of each year, assuming a skewed normal distribution of errors. The average projection considers only the projections of the BdP, CFP and IMF. For further details on the methodology, see Leal, Martins and Marujo (2024), "Back to the Future: A database of macroeconomic and fiscal projections for the Portuguese economy in the 21st century", Portuguese Public Finance Council.

The MF's estimate for real GDP growth, at 2%, is higher than the average of the reference institutions (1.8%). The forecast lies at the upper limit of the 30% confidence interval and above all the point forecasts considered, which range from 1.6% (CFP) to 1.9% (IMF). The MF's scenario thus suggests an upward bias compared with the central scenario implied by the other projections, with direct implications for the macroeconomic basis of the fiscal scenario.

Among expenditure components, the largest deviation is observed in the forecast for investment (GFCF). The MF's projection of 5.6% lies substantially above the average of the reference institutions (4.1%) and outside the 60% confidence interval, reflecting, above all, the sharp upward revision of the public component of investment compared with the 2026 Budget Plan. The projection for public investment growth implied in the APR/2026 (55%, in nominal terms), if realised, will be the highest figure since at least 2000 (Chart 8 , left-hand panel). It should also be noted that this upward revision comes at a time when the main national institutions have substantially revised their investment expectations downwards (Chart 8 , right-hand panel). In the case of private consumption, the MF's projection (1.8%) is lower than the estimates of the BdP and the CFP (2% and 2.1%, respectively), yet still falls within the 30% confidence interval. For the remaining components of GDP, the MF's projections are broadly in line with the estimates of the other institutions (Table2).

Chart 8 – Projection for nominal public GFCF growth, adjusted average projection for real GFCF growth and MF projections



Source: INE, APR/2026, POE/2026 and CFP calculations. The adjusted average projection refers to the figure on the last day of each month. For further details regarding the methodology used to calculate the average projection and the database employed, see Leal, Martins and Marujo (2024). The calculation of the average projection took into account only the projections of the BdP, CFP and IMF.

Divergences from the reference values are also observed in the area of prices. The MF's projections for consumer price inflation (HICP) and the GDP deflator, both at 2.5%, are lower than the averages of the institutions considered (2.9% and 3%, respectively), falling, in both cases, at the lower limit of the 60% confidence interval. In the specific case of the HICP, and taking into account the external assumptions presented, it is considered that there is a high probability of a higher outcome than that presented. A study by the Bank of Portugal, '[12] ', which analyses the transmission of energy prices to the HICP, demonstrates that food prices and underlying inflation react significantly, with lagged and persistent contributions to inflation. In fact, the contribution of the energy component (direct effect) and the food and core components (indirect effect) to inflation following the shock turns out to be similar over the horizon. In particular, given the acceleration in energy prices – from a year-on-year change of -2.4% in February to 6.4% in March – and the response estimated in the analysis, the spillover effect on the food and core components of inflation alone contributes to a 0.5 percentage point increase in inflation in the 12 months following the shock. The combination of below-average growth in the GDP deflator with above-average real growth results in a nominal GDP projection broadly in line with that of the other institutions.

The MF's estimate for employment growth is lower than the institutions' average projection. The MF anticipates employment growth of 1.2%, below the 1.5% estimated on average by the other institutions. Furthermore, the projection for apparent labour productivity growth, at 0.8%, is higher than that estimated by any of the institutions considered (Table2) – implying a potential downside risk to the MF's scenario. The projection for the unemployment rate is, nevertheless, broadly in line with the reference values.

[12] The quantification of direct and indirect impacts is obtained using a Bayesian Vector Autoregressive (BVAR) model.

The MF's projection for growth in compensation per employee, at 4.6%, is higher than the average of the reference institutions (3.9%). The forecast presented is also higher than the specific estimates available from the BdP and CFP, thus reinforcing the caveat previously noted regarding its plausibility. It should be noted that, if it materialises, the acceleration in inflation will have a non-concomitant impact on the formulation of wage adjustments, in both the public and private sectors, particularly in a context of low productivity growth.

Main considerations regarding the macroeconomic scenario

This analysis takes into account the principles set out in Article 8 of the Fiscal Framework Law: "The budgetary projections underlying fiscal planning documents must be based on the most likely macroeconomic scenario or on a more prudent scenario". This same guiding principle of using realistic forecasts for the conduct of fiscal policies is also enshrined in European legislation, in particular in the Stability and Growth Pact and in Council Directive 2011/85/EU of 8 November 2011 (revised), which lays down requirements applicable to Member States' fiscal frameworks.

In its Opinion on the macroeconomic scenario of the 2026 Budgetary Plan, the CFP raised a number of concerns that should be given particular consideration when monitoring the economic situation in 2026. At the time, it was noted that there were predominantly downside risks to the projected real GDP growth. Added to this was the Ministry of Finance's expectation of year-on-year growth in household consumption exceeding that of 2025, which was not justified by the scale and nature of the policy measures, as well as a forecast for growth in compensation per employee that was not consistent with the forecast presented regarding inflation and productivity. The downward revisions now presented by the Ministry of Finance justify the increased degree of caution advised in that Opinion.

The forecasts presented in APR/2026 are made at a time of high unpredictability in the macroeconomic outlook resulting from disruptions in the Strait of Hormuz. This is the largest supply disruption in the history of the global oil market, according to the International Energy Agency (IEA). In its latest projections, the CFP detailed the channels through which this new shock will be transmitted to the Portuguese economy. The economic impact will depend on the duration and regional extent of the conflict and the damage to energy infrastructure in the Gulf countries. The volatility of the geopolitical situation and the fluidity of events render any scenario particularly uncertain. By way of example, on 14 April, the President of the ECB stated that the euro area economy had moved away from the central scenario presented in the ECB's latest projections, moving closer to the institution's adverse scenario.

The macroeconomic scenario appears, overall, to be statistically probable, but subject to predominantly downside risks. Given the nature of these risks, the scenario cannot be considered the most prudent.

- The real growth forecast by the Ministry of Finance for the Portuguese economy is higher than that anticipated in the most recent projections presented by other leading institutions. This forecast for real GDP is based on an expectation of public investment growth exceeding 50%, which appears difficult to achieve. The analysis carried out reinforced that the forecast for investment is far removed from the most recent projections of the other institutions, and does not fall within the most likely range when weighted by past forecast errors inherent in the projections. Furthermore, when the carry-over effect from 2025 is taken into account, the year-on-year growth forecast by the Ministry of Finance for real GDP in 2026 (0.8%) is identical to that recorded in the previous year, despite a more unfavourable environment. Should the forecast growth in public investment materialise, this would support the growth forecast presented by the Ministry of Finance.

- The forecasts presented for private consumption, public consumption and exports fall within the most likely range when weighted by past forecast errors inherent in the projections, as well as by the projections of other leading institutions.
- The macroeconomic scenario points to a rise in inflation, as measured by the HICP, of 2.5%, lower than anticipated in the most recent projections presented by other leading institutions. The analysis also confirmed that these forecasts do not fall within the 30% confidence interval, when past forecast errors are taken into account. In particular, the MF forecasts a slowdown in the inflation rate excluding energy compared with 2025. It is considered that the MF's forecast may underestimate the spillover effects of increases in energy prices on other components of the consumption basket, via food prices and underlying inflation, notably transport services.[13]
- The forecast for growth in compensation per employee for 2026 is higher than might be expected, given the framework presented for inflation and productivity, and is also significantly higher when compared with known independent projections.
- Finally, the analysis confirmed that the nominal growth forecast by the Ministry of Finance is in line with the latest available independent projections. This is due to a forecast for the GDP deflator that is considered prudent.

[13] See, for example, Banco de Portugal (2024). 'The pass-through of energy prices to the HICP'. Economic Bulletin, June.

CONCLUSION

This Opinion focuses on assessing the consistency of the 2025 fiscal execution data with the net expenditure path, as well as the macroeconomic forecasts and their external and technical assumptions for the year 2026. It was prepared in response to a request from the Ministry of Finance (MF) addressed to the CFP in March 2026. In the first instance, the request falls within the scope of Article 23(1) of the Regulation, and therefore relates solely to the 2025 implementation data, not covering the fiscal forecast for 2026. In the second case, as this is not a fiscal planning document, current legislation does not provide for the CFP to endorse the forecasts, nor does such a request fall within the scope of the European Regulation; the analysis therefore focuses solely on their plausibility.

The estimate of net expenditure growth in 2025 is particularly sensitive to the quantification of discretionary revenue measures (DRMs). Indeed, by reducing revenue in a discretionary manner, these measures have worsened the trend in the net expenditure indicator. Primary expenditure financed from national funds before accounting for the impact of DRMs – excluding co-financing of European Union programmes, the cyclical components of unemployment benefits, as well as one-off and other temporary measures – recorded nominal growth of 5.8% in 2025. According to the available information, taking the MDRs into account raises the growth in net expenditure to 6.4%, above the recommended 5%.

Based on the available information, the rate of growth in net expenditure calculated by the CFP for 2025 shows a deviation from the commitment made by the Portuguese State that does not lead to the opening of an excessive deficit procedure (EDP). In cumulative terms, taking the base year of 2023 as a reference, the CFP calculates that net expenditure increased by 19% in 2025, exceeding the maximum cumulative growth rate of 17.4% agreed with the Council of the EU. This excess translates into a cumulative deviation of 0.5% of GDP, which is below the maximum cumulative threshold of 0.6% of GDP. Taking into account the flexibility margin associated with the national derogation clause applicable to the increase in defence expenditure does not alter the size of the deviation, given that the share of defence expenditure in GDP has not changed compared to 2021 (COFOG classification).

Looking ahead, should the cumulative deviation exceed 0.6% of GDP, only the maintenance of a fiscal surplus or a fiscal balance close to equilibrium automatically precludes the initiation of a mechanism that could lead to an excessive deficit procedure (EDP). In accordance with the current wording of Regulation (EC) No 1467/97 (second paragraph of Article 2), the European Commission must draw up a report in accordance with Article 126[3] of the Treaty when the ratio of government debt to GDP exceeds the reference value, the fiscal position is not close to balance or in surplus (i.e. if the general government deficit exceeds 0.5% of GDP) and the deviations recorded in the Member State's surveillance account exceed 0.6 percentage points of GDP cumulatively.

In the context of the assessment of the macroeconomic scenario, the forecast of real growth of 2.0% in 2026 appears likely, but is subject to predominantly

downside risks. Uncertainty regarding the duration of the military conflict in the Middle East, and its broader economic consequences, would warrant a greater degree of caution. This assessment stems from a weighing up of the risks in the MF scenario, the uncertainty of the current macroeconomic outlook and existing projections for the Portuguese economy. In this regard, it should be noted that the growth scenario presented is higher than the most recent projections from other institutions and is based on an expectation of public investment growth exceeding 50%, which appears difficult to achieve. The macroeconomic scenario also points to a rise in inflation, as measured by the HICP, of 2.5%, which is lower than anticipated in the most recent projections presented by other leading institutions; this expectation does not fall within the most probable range when past forecasting errors are taken into account. On closer inspection, the MF's scenario forecasts a slowdown in the inflation rate excluding energy. It is therefore considered that the MF's forecast may underestimate the spillover effects of increases in energy prices onto other components of the household consumption basket. Finally, the analysis confirmed that the nominal growth forecast by the MF is in line with the latest available independent projections. This is due to a forecast for the GDP deflator that is considered prudent.

It is reiterated, **in line with the points set out in the Opinion on the 2025 Budget, that the quantification of MDRs poses significant difficulties for estimating net expenditure, reinforcing the need for a protocol between the CFP and the Ministry of Finance (MF).** This document has sought to highlight these limitations, both in terms of the temporal consistency of the estimates and the heterogeneity of the costing considered by the various institutional stakeholders. Given the high sensitivity of net expenditure to MDRs, it is essential that the aforementioned protocol ensures access to tax revenue data at an appropriate level of granularity and to methodological details, enabling the CFP to make a well-founded critical assessment of the MF's estimates and, where relevant, to prepare its own estimates. This requirement also constitutes a transparency requirement enshrined in the Fiscal Framework Law (LEO) and responds to a growing need to quantify the impacts of public policy measures based on verifiable methodologies that are subject to independent validation.

ANNEX

Table3– List of Discretionary Revenue Measures for 2024 and 2025 (€m)

Medidas Discricionárias da Receita	2024			2025		
	MF OE/26	MF RAP/26	CFP RAP/26	MF OE/26	MF RAP/26	CFP RAP/26
IVA	278	456	456	-110	-79	-79
Redução do IVA da eletricidade	0	0	0	-110	-79	-79
IVA Zero alimentar	323	496	496	0	0	0
IVA nectares	-40	-40	-40	0	0	0
Redução do IVA alimentação infantil	-5	0	0	0	0	0
Outros impostos indiretos	448	312	369	312	625	148
Mecanismo temporário de gasóleo para empresas transporte mercadorias	0	0	0	25	25	25
Alteração do ISP e suspensão da taxa de carbono	338	228	285	337	712	235
Atualização das taxas de outros impostos indiretos (IUC, ISV, IABA, IT, IMT)	146	146	146	0	0	0
Habitação | Isenção IMT e IS jovens	-36	-62	-62	-50	-112	-112
IRS	-1 850	-2 300	-2 300	-1 465	-904	-951
Pacote IRS 2023 (1)	-110	-155	-155	0	65	65
Pacote IRS 2024 (2)	-1 740	-1 583	-1 583	-257	-161	-161
Redução adicional taxas IRS (agosto 2024)	0	-562	-562	0	0	0
Pacote IRS 2025 (3)	0	0	0	-667	-335	-314
Aumento consignação IRS	0	0	0	-40	-40	-40
Atualização automática das deduções específicas de IRS pelo valor do IAS	0	0	0	0	0	-81
Componente de produtividade da atualiz. autom. dos escalões	0	0	0	0	0	14
Diminuição de taxas dos escalões IRS Jun/2025	0	0	0	-500	-434	-434
IRC	-310	-298	-298	-163	326	326
Desagravamento das tributações autónomas	-35	-40	-40	0	0	0
Incentivo fiscal à valorização salarial	-50	-8	-8	0	0	0
Crédito fiscal extraordinário para investimento (2021, COVID)	0	31	31	0	-3	-3
Majoração em IRC dos gastos com energia, fertilizantes, etc.	55	55	55	0	19	19
Incentivo fiscal à recuperação: SIFIDE, RFAI e outros benefícios fiscais	-100	-143	-143	102	530	530
Alargamento/ reforço do Incentivo à Capitalização das Empresas (ICE)	-180	-192	-192	-265	-221	-221
Outras receitas	-72	-169	-169	-180	-138	-138
Redução taxas de portagem ex-SCUT	-72	-169	-169	0	0	0
Eliminação taxas de portagem ex-SCUTs	0	0	0	-180	-138	-138
Total medidas discricionárias de receita	-1 507	-2 000	-1 943	-1 606	-170	-694
em % do PIB	-0,5	-0,7	-0,7	-0,5	-0,1	-0,2

Source: MF, CFP calculations. | Notes: (1) 2023 PIT package, includes youth PIT; Extraordinary rental support; + Housing Programme; (2) 2024 PIT Package, includes tax rate reductions; updating of tax brackets; updating of the subsistence minimum; Youth PIT and increase in the housing expenses deduction; (3) 2025 PIT Package, includes updating of tax brackets; updating of the subsistence minimum; Youth PIT.

This is an automatic translation that has not yet been reviewed. Only the Portuguese version is authentic.

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