



Portuguese Government cuts subsidies to feed-in tariffs

The Portuguese Government has changed the feed-in-tariffs scheme aiming at eliminating the accumulation of public incentives for generation of renewable energies that has been allowed to this date.

Ordinance No. 69/2017, recently published, provides for the deduction of the subsidies received for the promotion and development of renewable energies when producers have cumulatively received other incentives. This way, producers shall also be forced return the funds already received. The list of producers covered by this ordinance and the amounts to be deducted or to be returned (if in the meantime producers cease to be entitled to the feed-in-tariff) will soon be published.

With its retroactive effects, this decision sets a new precedent in counter-cycle to the long stand police of regulatory stability in the Portuguese renewables' sector. And, at a time when other countries like Spain are taking steps to relaunch their renewables market, this decision is, most likely, not helping to attract new renewables' investment projects to Portugal, irrespectively of the bigger or smaller material impact it may have on those who will be effected by it, which is yet to be seen.

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