

# THE PORTUGUESE GOVERNMENT GRANTS MORE TIME TO IMPLEMENT RENEWABLE PROJECTS

*The Portuguese Government has granted another extension to licensing deadlines for renewable energy projects, particularly those awarded in the 2019 and 2020 auctions for the allocation of grid capacity for solar projects, which are facing serious difficulties in obtaining financing due to the low tariffs their sponsors committed to.*

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This has been done through [Order of the Portuguese Energy Secretary of State of 22 February](#), which adds a period of 10 months for promoters to comply with the following milestones:

- Solar Auction 2019: obtaining a license or approval to prior notice for the execution of construction works; as well as the operation license.
- Solar Auction 2020: obtaining the production and operation license; obtaining a license or approval to prior notice for the execution of construction works.
- Floating Solar Auction 2021: obtaining the production and operation license; obtaining the approval for the execution project by the Portuguese Environmental Agency (APA).
- Renewable energy power plants with an installed capacity of over 1 MW: obtaining the production and operation license.
- Renewable energy power plants with an installed capacity equal to or less than 1 MW (UPPs): obtaining the operation certificate.

These extensions apply together with those already approved in 2021, 2022, and 2023, confirming the challenges faced by promoters in obtaining licenses from the Portuguese Energy Ministerial Department (DGEG). This is more so concerning the holders of the grid capacity titles (TRC) that were awarded the 2019 and 2020 auctions in obtaining financing, because of the (sometimes very) low tariffs they committed to, highlighting the shortcomings of the bidding model chosen by the Portuguese Government.

The Portuguese Government has also suspended ([Order of Portuguese Energy Secretary of State of 23 February](#)) the termination of the prior registry for renewable gas production units granting their promoters an additional period of 3 months to complete their plants' construction.

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