



### Overall performance

Portugal's regulatory frameworks and permit system support the creation of new businesses and provide strong protections for investors against insolvency. Combined with high quality procurement processes and a stable financial system, this environment helps attract investment in infrastructure. Despite an improvement in funding capacity from InfraCompass2017, Portugal's sluggish GDP growth, significant public debt and the potential economic fallout from the COVID-19 pandemic may hinder future infrastructure expenditure.

Drivers	Rank (176)	Rank change (2017-20)	Score (100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	19	↓ 1	72	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Regulatory frameworks	19	↑ 1	71	Green	Green	Green	Green	Green
Permits	19	↓ 7	82	Blue	Blue	Blue	Blue	Blue
Planning	39	↓ 3	74	Grey	Grey	Grey	Grey	Grey
Procurement	19	↓ 13	86	Light Green	Light Green	Light Green	Light Green	Light Green
Activity	45	↓ 23	32	Dark Green	Dark Green	Grey	Grey	Grey
Funding capacity	28	↑ 15	47	Orange	Orange	Orange	Grey	Grey
Financial markets	26	↓ 3	44	Yellow	Yellow	Yellow	Grey	Grey

### Portugal at a glance

**\$23,031**  
GDP per capita  
(USD, 2019)

**10.3 million**  
Population  
(2019)

**—**  
Infrastructure investment  
(2019 estimate)

**—**  
Infrastructure gap  
(2019 estimate)

**83.6**  
Infrastructure quality  
(0-100, 100 is best, 2019)

**\$177 million**  
Private infrastructure investment  
(5-year average, USD, 2019)

### Top performing metrics



96.2/100

#### Cost to start a business

According to the World Bank, the cost of starting a business in Portugal is 1.9% of income per capita, well below the High Income Countries' average of 4.7%, easing the entry of new firms.



94.8/100

#### Average procurement duration – transaction RFP

At just over three months, Portugal has one of the lowest periods from announcement of a tender to contract award. Efficient procurement processes reduce costs, risks and down time for infrastructure contractors.



91.1/100

#### Registering property

In Portugal it takes 10 days to register a property, well below the 25 day High Income Countries' average. As infrastructure projects often involve some transfer of property rights, an efficient registration process reduces project cost and risk.

For guidance on how to improve these metrics, please see the [Portugal Country Page](#) on the InfraCompass website.

### Opportunities to grow



No

#### Published infrastructure plan

Portugal does not have a national or sub-national infrastructure plan. The addition of an infrastructure plan could highlight infrastructure challenges and opportunities for investment, as well as detail the government's planned responses.



2.4/100

#### Long term GDP growth trend

Portugal's long-term GDP growth trend has increased to 0.7% since 2017, but this is still below the High Income Countries average of 1.8%. Combined with the uncertain impact of the COVID-19 pandemic, this low growth trend may hamper Portugal's ability to borrow and build more infrastructure.



7.9/100

#### Gross government debt

At 118% of GDP, Portugal's gross government debt is the fourth largest among High Income Countries. Combined with a current credit rating of BBB and the impacts of the COVID-19 pandemic, servicing this debt is a significant burden on Portugal's ability to fund infrastructure.



## ECONOMY OVERVIEW

GDP (\$US billion, 2019)	236.4	Population (million, 2019)	10.3	Unemployment rate (2019)	6.1%
GDP per capita (\$US, 2019)	23,031	Urbanisation ratio (2018)	65.0%	Inflation rate (2019)	0.9%
GDP growth rate (annual, 2019)	1.9%	Gross Government Debt (% of GDP, 2019)	118.0%	Digital Adoption Index (0-1 best, 2016)	0.79
GDP per capita growth rate (annual, 2019)	-1.7%	Sovereign risk rating (2019)	71	Gini coefficient (0-100 worst, 2015)	35.5

## METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	34.6 ↑	Cost to start a business	96.2 ↑
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	63.8 ↑	Dealing with construction permits	49.3 -
Recovery rate	64.8 ↓	Product market regulation, network sectors	69.4 -	Quality of land administration	66.7 -
Rule of law	72.8 ↑	Regulatory (including competition) quality	67.8 ↑	Registering property	91.1 ↓
Shareholder governance	43.3 -	Strength of insolvency framework	90.6 -	Time required to start a business	85.6 ↓
Political stability and absence of violence	69 ↑	Investment promotion agency?	Yes -		

PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	Yes -	Average procurement duration – transaction RFP	94.8 -	Infrastructure investment	40 <sup>^</sup> ↑
Published infrastructure plan?	No -	Degree of transparency in public procurement	75 -	Private infrastructure investment	2 ↓
Preparation of PPPs	67 ↑	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	1.8 ↓
Economic analysis assessment?	Yes -	Procurement of PPPs	81 -	Value of closed infrastructure deals with foreign equity sponsorship	82.9 ↓
Market sounding and/or assessment?	Yes -	PPP contract management	78 -		
Environmental impact analysis?	Yes -				

FUNDING CAPACITY		FINANCIAL MARKETS	
GDP per capita	29.4 ↑	Domestic credit to private sector	46.9 ↓
Gross government debt	7.9 ↑	Financing through local equity market	34.8 ↓
Long term GDP growth trend	2.4 ↑	Stocks traded	19.3 <sup>^</sup> ↑
Summary credit rating	71 ↑	Financial depth	61.7 ↓
		Financial stability	76.7 ↑

**Drawing on data from:** International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPII, Oxford Economics, Trading Economics, and Deloitte.

## Metric key:

↑ Increase from InfraCompass 2017   ↓ Decrease from InfraCompass 2017   - No change from InfraCompass 2017

## Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are generally the metrics with the lowest weighted score out of 100.

<sup>^</sup>Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.