



# 2030 DIGITAL DECADE

**Annex  
Portugal**

**REPORT ON THE STATE OF THE DIGITAL DECADE 2023**

# Digital Decade Country Report 2023: Portugal

**Portugal is expected to make a positive contribution to the collective efforts to achieve the EU's Digital Decade targets.** Progress has been made in improving the connectivity infrastructure for fixed and mobile networks, albeit major challenges still remain. Many people lack essential digital skills and the level of enrolment in ICT education programmes is low. To improve its digitalisation capabilities and the adoption of technology, Portugal needs to adopt comprehensive policies and quickly implement these.

Portugal is collaborating with other Member States in exploring the possibility to set up **European Digital Infrastructure Consortia (EDICs)** on: (i) establishing the European Cybersecurity Skills Academy; and (ii) establishing an Alliance for Language Technologies, to develop a common infrastructure in the field of natural language processing and to develop large multi-language models. Portugal is one of the Member States that have jointly submitted a formal application to set up the European Blockchain Partnership and the EDIC on European Blockchain Infrastructure, supporting EU-wide cross-border public services.

## DIGITAL SKILLS

Portugal is making progress in basic digital skills, but a faster pace is necessary to contribute significantly to the Digital Decade target. Currently, 55% of its the population aged 16-74 has at least basic digital skills, while only 29% have above basic digital skills level.

Portugal also needs to expand its efforts to increase the number of ICT enrolments (ICT specialists make up 4.5% of total employment and 2.5% of graduates are in ICT, just below the EU average). The share of women among ICT specialists is however at 20.4%, above the EU average of 18.9%.

**Portugal should accelerate its efforts in the area of digital skills.** In particular, Portugal should accelerate the implementation of its digital skills programmes and reach a critical mass of people across all demographics. Portugal should encourage private sector investment in digital skills training and a culture of lifelong learning to adapt to evolving technologies and industry needs. Portugal should increase enrolments in ICT studies through targeted actions that ensure capacity, traceability, and evaluation, and provide funding, scholarships and incentives for ICT specialists.

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### DIGITAL INFRASTRUCTURE

Portugal performs particularly well on fixed very high-capacity networks (VHCN) and fibre to the premises coverage (93% and 91% respectively compared to the EU average of 73% and 56%) and on at least 100 Mbps fixed broadband take-up (77%). However, take-up of at least 1 Gbps (4.5%) and mobile broadband take-up (82%) are below the EU average. Overall, 5G coverage (70%) ranks below the EU average (81%). Portugal is implementing measures to help increase 5G network deployment, which is lagging behind, mainly due to delays in auctioning the 700 MHz and 3.6 GHz bands, and to uncertainty on the timing of the auctioning of the 26 GHz band.

Portugal is participating in the Important Project of Common European Interest (IPCEI) on Microelectronics and Communication Technologies ecosystem with associated participants (receiving aid below the GBER threshold).

**Portugal should continue its efforts on connectivity infrastructure**, accelerating those supporting 5G coverage. In particular, Portugal should implement measures to grant access to network infrastructure, further simplify processes and harmonise local regulations to accelerate the deployment of gigabit connectivity.

Portugal's efforts in the area of semiconductors should be sustained in order to help the EU become a strong market player in these areas.

### DIGITALISATION OF BUSINESSES

In 2022, 70% of SMEs in Portugal had at least the basic level of digital intensity, slightly ahead of the EU average (69%) in 2022. The proportion of enterprises using the cloud (29% in 2021) and big data (11% in 2021) has trailed behind the EU average of 34% and 14%. However, 17% of Portuguese businesses were using AI in 2021, more than twice the EU average. Portugal is implementing measures to boost enterprises' adoption of digital technologies: including test beds, Digital Innovation Hubs, a digital transition services catalogue, and a digital maturity assessment tool and certification. The RRP allocates funds for companies to set up testbeds under the national network of testbeds initiative on 5G, AI, big data and blockchain. Home to only one unicorn, Portugal could improve access to finance for innovative scale-ups to reach the Digital Decade target of doubling the number of unicorns. Public programmes and funding have contributed to Portugal's digitalisation, but the landscape of resources can be complex and businesses are sometimes facing challenges to gain access to them for their digitalisation.

**Portugal should accelerate its efforts in the area of digitalisation of businesses.** In particular, Portugal should simplify its application processes for public financing by using consistent eligibility criteria. Portugal should support the use of cloud computing while ensuring data privacy and security protection. Portugal should encourage the development of DIHs in particular by integrating them into the national framework for SME digitalisation, and encouraging collaboration between DIHs, businesses and other stakeholders.

### DIGITALISATION OF PUBLIC SERVICES

Portugal has made digitalising public services a centrepiece of the modernisation of its administration by reducing the administrative burden and using ICT to deliver better public services. Online services for citizens stand at 78, while those for businesses are at 82, close to the EU average. Portugal is moving towards the Digital Decade target of 100% of EU citizens having access to a means of secure electronic identification (eID) recognised throughout the EU. In fact, making eID a priority has yielded positive outcomes such as the deployment of the Portuguese digital identification mechanisms and their adoption by the public, businesses and the public administration. While the eID Citizen card is mandatory, it can be challenging to use for some, particularly the elderly, disabled or people living in remote areas. Portugal scores 63, which is below the EU average, on access to electronic health data and improvements are necessary to give access to electronic medical results, reports and data from other healthcare providers in the public and private sectors.

**Portugal should accelerate its efforts to digitalise public services.** In particular, it should continue the outreach to inform the public about the advantages of eID, improve the eID application process, and develop user-friendly interfaces.

### DIGITAL IN PORTUGAL'S RECOVERY AND RESILIENCE PLAN (RRP)

Portugal's RRP has allocated EUR 3.6 billion (22%) to the digital transformation. That allocation is also expected to contribute to the Digital Decade targets <sup>1</sup>. In February 2023, Portugal received its second disbursement of EUR 1.8 billion for digital measures, including the new Secure Mobile Communications System providing secure voice, messaging and video communication for government employees. The [Portugal Digital Academy](#) and Employment+Digital allow the public and businesses to assess their digital skills, get training plans and boost their digital skills. A [resolution](#) will make it possible to launch public tenders for the installation, management and operation of high-capacity networks in 'white areas'. Additionally, 17 Digital Innovation Hubs support companies in adopting automation technologies. The legal framework for digitalising the public administration has come into effect, including provisions for information security and cybersecurity.

<sup>1</sup> Based on Annex VII of the RRF Regulation. Furthermore, a qualitative assessment of the data took place to allow for an estimation of the possible contribution of RRF measures to the Digital Decade targets and the remaining part is also supporting the general objectives of the Digital Decade. This applies to all descriptions of the RRFs included in this Annex. The information provided refers to the Recovery and Resilience Plan as adopted by the Council before 1 September 2023, without prejudice to potential ongoing revisions of the plan.