BRIEFING

Economic Dialogue and Exchange of Views with Portugal

ECON on 2 December 2014

This note presents a summary on the current status of the EU economic governance procedures and related relevant information, in view of an Economic Dialogue with the Portuguese Minister of Finance Maria Luís Albuquerque in accordance with Article 2a of the Regulation 1467/97 as amended by Regulation 1177/2011 (Excessive Deficit Procedure) and under Article 14(3) of Regulation 472/2013 (post-programme surveillance).

1. Recent developments

- In June 2014, Portugal **exited** formally from its Economic Adjustment Programme ("Programme"), following a gradual return to capital markets. The Programme entailed a financial assistance package of EUR 78 billion for fiscal financing needs and support to the banking system. One third of the package was financed by the IMF.
- Since July 2014 Portugal has been fully integrated into the **European Semester Cycle**, including the fiscal and macro-economic surveillance framework. In this respect, the Council adopted 8 Country Specific Recommendations (CSRs) for Portugal (see Annex 3) on 8.7.2014. On 28.11.2014, the Commission adopted an opinion on the 2015 Draft Budgetary Plan (DBP) of Portugal, considering it at risk of non-compliance with the provisions of the Stability and Growth Pact, and pointing to a risk that the excessive deficit will not be corrected by 2015.
- In addition Portugal is subject to **Post-Programme Surveillance (PPS)**, including review missions, in accordance with Regulation 472/2013, until at least 75% of the financial assistance received has been repaid.
- According to the IMF' staff assessment following its latest PPS review mission, the Portuguese **economy continues to recover**, substantial fiscal consolidation has been achieved and the large pre-crisis current account deficit has been turned into a surplus. Notwithstanding the positive developments, the IMF highlights that policy makers need to address more forcefully two key weaknesses: low **external competitiveness** and excessive **corporate leverage.**
- In early August, stock markets were unsettled by the failure of one of Portugal's **largest private sector banks, Banco Espírito Santo, S.A. (BES). The financial situation of BES** called for the application of a resolution measure, implementing for the first time the new European resolution framework.
- 4 Portuguese banks were subject to the **ECB's comprehensive assessment**, but for BES no results were published in October 2014 due to the bank's recent failure. Out of the other 3 banks, **Banco Comercial Português (BCP)** was classified as one of the 25 EU banks having a capital shortfall in the adverse stress test scenario**.** The bank has however announced that the measures already decided in 2014 fully cover such capital shortfall and that no plans for a capital increase

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or for a forced sale of strategic assets are therefore necessary. Such measures are still pending approval from the SSM.

- According to the European Commission´s (EC) autumn forecast 2014, **domestic demand is projected to become the main driver of growth**, while net exports are forecast to contribute negatively to economic growth in 2014 but gradually improve over the forecast period. Real GDP is expected to grow by 0.9% in 2014 and accelerate to 1.3% in 2015 and 1.7% in 2016. Unemployment is forecast to decline from 14.5% in 2014 to 12.8% in 2016 (see Annex 1).

2. Public Finances

Portugal is since 2009 subject to an **Excessive Deficit Procedure** (EDP). The deadline for correcting the deficit is currently set to 2015, having been pushed back by the Council in 2013 by one year due to the economy performing worse than expected, while the adjustment effort was on-going. In its 2013 decision, the Council requested Portugal to bring its deficit to 4.0% of GDP in 2014 and 2.5% of GDP in 2015, cumulatively amounting to a fiscal effort in structural terms of 1.9% of GDP.

The **EC 2014 autumn forecast** projects a deficit of 4.9% of GDP in 2014 (excluding the impact of the resolution of BES which is still under assessment by statistical authorities, amounting to 2.8% of GDP), which is very similar to the level foreseen in the 2015 DBP. Some of the expenditure-reducing measures included in the 2014 State Budget were struck down by the Constitutional Court in May, while the second supplementary budget for 2014 plans to compensate for the identified pressures with an upward revision of tax revenue, a better social security balance and overall expenditure control. On the other hand, the deficit projections for 2015 differ markedly between the EC forecast of 3.3% of GDP and the DBP forecast of 2.7%, as the former is more cautious about the impact of consolidation measures and projected revenue collection, reflecting the differences in the underlying macroeconomic assumptions (e.g. for private consumption growth). Overall, the EC sees an improvement in the structural balance of 0.6 p.p. of GDP between 2013 and 2014, but assumes that the risks to the economic outlook remain tilted to the downside.

Comparison of the Portuguese DBP and EC 2014 autumn forecasts for 2014 and 2015

	GDP growth (% change)			**Debt** (% of GDP)			**Deficit/ Surplus** (% of GDP)			**Structural deficit/surplus** (% of GDP)*			**Fiscal effort in structural terms as requested by the Council**
	DBP (10/ 2014)	**EC** (11/ 2014)	**Δ**	**DBP** (10/ 2014)	**EC** (11/ 2014)	**Δ**	**DBP** (10/ 2014)	**EC** (11/ 2014)	**Δ**	**DBP** (10/ 2014)	**EC** (11/ 2014)	**Δ**	
2014	1.0	0.9	0.1	127.2	127.7	-0.5	-4.8	-4.9	0.1	-1.3	-1.3 *(0.6)*	0.0	1.4
2015	1.5	1.3	0.2	123.7	125.1	-1.4	-2.7	-3.3	0.6	-1.2 *(0.1)*	-1.7 *(-0.4)*	0.5	0.5

***** In brackets: the year on year difference in percentage points, which is only a proxy for the actual fiscal effort.
Sources: EGOV based on Portugal's DBP and the autumn 2014 Commission forecasts.
Note: If cells are in blue colour, the forecast included in the Portuguese DBP is more optimistic than the corresponding EC forecast.

On 28 November, the EC published its **opinion on the 2015 DBP of Portugal** considering it at risk of non-compliance with the provisions of the Stability and Growth Pact (SGP). In particular, there is a risk that the DBP will not fulfil the Council recommendation of correcting the excessive deficit by 2015. That risk mainly arises from favourable assumptions of the impact on the budget of macroeconomic developments and from the lack of structural measures underpinning the DBP. The fiscal effort falls clearly short of the recommendation and thus indicates the need for sizeable additional structural consolidation measures for 2015 to underpin a credible and sustainable correction of the excessive deficit. The EC is also of the opinion that Portugal has made limited progress with regard to the fiscal-structural part of the 2014 CSRs.

3. Macro-economic imbalances

According to the latest IMF mission review Portugal faces a pressing **growth challenge**. Labour market slack remains at historically unprecedented levels, and under-investment is eroding the country's capital stock. Policy makers need to address more forcefully the two most binding growth bottlenecks: low external competitiveness and excessive leverage, especially in the corporate sector.

The same review states that, according to international competitiveness rankings, Portugal has **significant upside potential**, as reflected in first-rate public infrastructure, a high-quality health and education system, a strong capacity for innovation and research, and the relative ease of starting new businesses. At the same time, these assessments also continue to highlight particularly onerous constraints on external competitiveness, including an inefficient public administration, a slow judicial system, restrictive labour regulations, and lack of effective competition in local product markets. According to the IMF, these bottlenecks should be tackled with more energy and purpose.

The latest EC PPS review mission has **expressed concern** that the pace of structural reform appears to have diminished considerably since the end of the Programme, in some cases reversing past achievements. Notably, while it remains to be seen whether recent policy measures relating to collective wage bargaining could on balance contribute to a better alignment of wages to productivity developments, the decision to increase the minimum wage could make the transition into employment for the most vulnerable even more difficult.

The **Alert Mechanism Report 2015** published on 28.11.2014 points out that Portugal made considerable strides towards correcting its economic weaknesses and reducing macroeconomic risks, but that in the updated scoreboard, several indicators remain beyond the indicative thresholds: negative international investment positions, private debt, public debt and unemployment (see Annex 2).

Implementation of 2014 CSRs: Case addressing youth unemployment

According to the Portuguese **DBP for 2015** many policy measures are being taken to implement the 2014 CSRs.

As regards **high youth unemployment,** the following measures are mentioned: since January 2014, the programme "*Garantia Jovem*" (Young Guarantee) is under implementation, while three other programmes ("*Estágios Emprego*", "*Emprego Jovem Ativo*", and "*Programa Investe Jovem*") were adopted which aim at the professional reconversion of unemployed people, the development of practical experiences in teams of young people with a mixed level of qualifications, and the establishment of companies by unemployed young people.

According to the Draft Joint Employment Report published on 28.11.2014, the situation of young people on the labour market remains dramatic in 7 Member States, among those in Portugal; however, the same report also points out that Portugal already managed to improve the situation of the youth and specifically mentions the new programme *Investe Jovem* that offers financial support to young people to become self-employed or create their own microenterprise.

4. Financial Stability

According to the Banco de Portugal (BdP) half-yearly Financial Stability Report the Portuguese economy is still subject to several vulnerabilities, in particular, excessively high **corporate indebtedness levels** for a significant part of corporations.

The Report furthermore points out that the public and private recapitalisations carried out during and after the Programme led to a significant improvement of the **banking sector**'s **solvency** situation. The average Common Equity Tier 1 (CET1) ratio improved during 2014; though the impact of BES's record €3.57bn losses affected the average CET1 ratio, it stayed comfortably above the minimum 7%. **Funding conditions** for Portuguese banks improved significantly toward the end of the programme period and thereafter. Reliance on central bank funding remains high, despite significant reduction to pre-programme levels.

The current low interest rates impact the banks' **profitability** as a significant part of the credit portfolio is indexed to those rates. Despite that and though operational results of Portuguese banks have recently improved, the sector in general still needs to press ahead with its **adjustment process** to achieve a satisfactory level of profitability (excluding BES, the average Return on Equity reached 3.8% in 2Q 2014; however, including BES it was equal to minus 26.5%). According to BdP, the high exposure to **real-estate assets** represents a risk that must also be closely monitored, given that despite recent recovery signs of a further decline in house prices cannot be excluded.

Four Portuguese banks were initially subject to the ECB's comprehensive assessment; due to the resolution of BES, results were only published for the other three banks involved***, Caixa Geral de Depósitos***, ***Banco BPI***, and **BCP**. BCP is one of the 25 banks that had a capital shortfall in the ECB's assessment. As BCP is subject to an EC restructuring plan, it announced that the shortfall is covered with elements of its restructuring plan, provided that is accepted by the ECB/SSM.

Resolution case: Banco Espírito Santo

In August 2014, following the collapse of one of the country's largest private banks – which got into trouble after its main shareholder had to file for bankruptcy – the Portuguese central bank applied a bridge bank resolution to BES. In the resolution operation the National Resolution Fund (NRF) injected money into the bridge bank. Since NRF did not possess enough own resources, the Portuguese State extended a €3.9 bn bridge loan to it. Further loans were extended by a group of banks.

The resolution of BES was technically a split of the bank into two different entities: selected assets and liabilities were transferred to a new legal entity, the bridge bank called "Novo Banco", which received € 4.9bn of fresh capital from NRF and took over the infrastructure, the branches, the staff, the deposits, senior debt and the healthy part of the credit portfolio. BES' shareholders and subordinated debt holders, as well as some senior claims held by related parties, on the other hand, were left with the remainder of the bank, which de facto turned into a "bad bank", holding mainly impaired intra-group assets and company stakes, such as the stake in the troubled Angolan subsidiary.

The BES case followed the European resolution rules foreseen in the Banking Recovery and Resolution Directive and the state aid rules on mandatory burden sharing on all shareholders and subordinated creditors (that Directive also establishes that from 2016 stricter bail-in rules will apply; senior creditors may no longer be spared a haircut as in the case of BES). The €3.9 bn loan from the Treasury to NRF will have to be repaid. In case that the proceeds from the sale of Novo Banco do not reach the amount of the loan, that shortfall will actually be borne by the financial sector, which is responsible for financing NRF, thus minimising the risks for the taxpayers.

5. EU2020 objectives

Portugal used to have high employment rate, which changed significantly during the sovereign debt crisis: the **employment rate** among the 20-64 years old declined from 73.1% in 2008 to 65.4% in 2013.

According to the EC, Portugal enacted a number of **labour market reforms** between 2011 and 2013. The protection of workers under permanent and fixed-term contracts was aligned. Working time legislation was made more flexible, and measures were taken to better adapt wages tp productivity at the firm level Unemployment benefits were reformed and eligibility was extended. . Nevertheless, as major challenges remain, the Council 2014 CSRs request Portugal to present, by March 2015, an independent evaluation of the reforms, together with an action plan to tackle labour market segmentation. Portugal's 2015 DBP confirms that there is on-going work in that respect.

Likewise, the crisis had an impact in terms of **poverty and social exclusion**. While in 2008 26% of the population was at risk of poverty, that number increased to 27.4% in 2013. To improve the situation, the Council called on Portugal to provide adequate coverage of social assistance, including the minimum income scheme, while ensuring effective activation of benefit recipients.

Concerning tertiary **educational attainment**, there has been a good progress over the past years. In 2009, 21.3% of the population had post-secondary education and by 2013, that number increased to 30%. Portugal also made considerable progress in terms of preventing early school leaving: The rate fell from 30.9% in 2009 to 18.9% in 2013.

ANNEXES:

ANNEX 1: Key Macro-Economic indicators for Portugal
ANNEX 2: Macroeconomic Imbalance Scoreboard - Portugal
ANNEX 3: Council 2014 Country Specific Recommendations to Portugal
ANNEX 4: Progress in EU2020 targets for Portugal

ANNEX 1: Key Macro-Economic indicators for Portugal

	2010	2011	2012	2013	2014 (f)	2015 (f)	2016(f)
GDP Growth (%)							
Portugal	1.9	-1.8	-3.3	-1.4	0.9	1.3	1.7
Euro area	2.0	1.6	-0.7	-0.5	**0.8**	**1.1**	**1.7**
Government balance (% of GDP)							
Portugal	-11.2	-7.4	-5.5	-4.9	**-4.9**	**-3.3**	**-2.8**
Euro area	-6.1	-4.1	-3.6	-2.9	**-2.6**	**-2.4**	**-2.1**
Structural balance (% of GDP)							
Portugal	-7.5	-5.4	-2.3	-1.9	**-1.3**	**-1.7**	**-2.0**
Euro area	-4.3	-3.6	-2.1	-1.2	**-1.1**	**-1.1**	**-1.3**
Government debt (% of GDP)							
Portugal	96.2	111.1	124.8	128.0	**127.7**	**125.1**	**123.7**
Euro area	83.8	86.4	90.8	93.1	**94.5**	**94.8**	**93.8**
Inflation							
Portugal	1.4	3.6	2.8	0.4	**0.0**	**0.6**	**0.9**
Euro area	1.6	2.7	2.5	1.4	**0.5**	**0.8**	**1.5**
Unemployment (% of labour force)							
Portugal	12.0	12.9	15.8	16.4	**14.5**	**13.6**	**12.8**
Euro area	10.1	10.1	11.3	11.9	**11.6**	**11.3**	**10.8**
Current account balance (% of GDP)							
Portugal	-10.4	-5.6	-2.6	-0.3	**-0.2**	**0.1**	**0.3**
Euro area	0.4	0.5	1.9	2.4	**2.5**	**2.6**	**2.5**
Exports (% change)							
Portugal	9.5	7.0	3.1	6.4	**3.6**	**4.6**	**5.6**
Euro area	11.1	6.6	2.5	2.1	**3.1**	**3.9**	**5.0**
Imports (% change)							
Portugal	7.8	-5.8	-6.6	3.6	**4.5**	**4.7**	**5.0**
Euro area	9.8	4.4	-1.0	1.2	**3.2**	**3.9**	**5.5**
Domestic demand (% change)							
Portugal	1.9	-5.7	-6.6	-2.3	**1.2**	**1.3**	**1.4**
Euro area	1.5	0.8	-2.2	-0.9	**0.7**	**1.0**	**1.8**
Investments (% change)							
Portugal	-0.9	-12.5	-15.0	-6.3	**1.9**	**2.4**	**2.8**
Euro area	-0.5	1.7	-3.2	-2.5	**0.6**	**1.7**	**3.9**
Unit labour cost (% change)							
Portugal	-1.2	-2.0	-2.9	1.9	**0.3**	**0.4**	**0.0**
Euro area	-0.6	0.5	1.8	1.4	**1.1**	**0.9**	**0.8**

Source: EC Autumn Forecast, November 2014

ANNEX 2: Macroeconomic Imbalance Scoreboard - Portugal

Indicators			Thresholds	2007	2008	2009	2010	2011	2012	2013
External imbalances and competitiveness	**Current account balance as % of GDP**	**3 year average**	-4/+6%	-10.1	-10.8	-10.8	-10.9	-8.9	-6.1	-2.5
		Year value	-	-9.7	-12.1	-10.4	-10.1	-6.2	-2.0	0.7
	Net international investment position as % of GDP		-35%	-88.8	-95.1	-107.9	-104.3	-101.0	-113.8	-116.2
	Real effective exchange rate - 42 trading partners	**% change (3 years)**	± 5% €A	0.6	2.1	1.1	-3.1	-3.0	-4.0	-0.6
		% change y-o-y	-	1.1	0.6	-0.6	-3.1	0.7	-1.6	0.3
	Share of world exports	**% change (5 years)**	-6%	-4.5	-12.6	-8.8	-7.8	-8.9	-15.7	-5.3
		% change y-o-y		3.0	-4.1	0.7	-9.3	0.9	-4.6	7.7
	Nominal unit labour cost	**% Change (3 years)**	9%€A	5.1	4.5	6.6	4.2	-0.6	**-6.0**	**-3.0**
		% change y-o-y	-	1.0	2.8	2.7	-1.2	-2.0	**-2.9**	**1.9**
Internal imbalances	% change y-o-y deflated **House prices**		6%	-1.9	1.0*	1.0	-1.0	-6.5	-8.3	-2.5
	Private sector credit flow as % of GDP		14%	18.2	15.9	5.3	5.3	0.4	-2.7	-2.4
	Private sector debt as % of GDP		133%	185.0	196.2	204.2	201.5	204.2	207.8	202.8
	General government gross debt (EDP) as % of GDP		60%	68.4	71.7	83.6	96.2	111.1	124.8	128.0
	Unemployment rate	**3 year average**	10%	**8.7**	**8.7**	**9.3**	**10.4**	**11.8**	**13.6**	**15.0**
		Year value	-	**8.9**	**8.5**	**10.6**	**12.0**	12.9	15.8	16.4
	% change y-o-y in **Total Financial Sector Liabilities,** non-consolidated		16.5%	10.2	4.4	8.9	11.5	-4.6	-3.7	-5.3

Source: Eurostat MIP indicators, data updated on 25 November 2014.
Notes: Bolded figures are estimates.*Break in time series.

ANNEX 3: Council 2014 recommendations to Portugal

1. Implement the necessary **fiscal consolidation measures** for 2014 so as to achieve the fiscal targets and prevent the accumulation of new arrears. For the year 2015, implement a **revised budgetary strategy in order to bring the deficit to 2,5 % of GDP,** in line with the target set in the Excessive Deficit Procedure Recommendation, while achieving the required structural adjustment. Replace consolidation measures which the Constitutional Court considers unconstitutional by measures of similar size and quality as soon as possible. The correction of the excessive deficit should be done in a sustainable and growth-friendly manner, limiting recourse to one-off/temporary measures. After the correction of the excessive deficit, pursue the planned annual structural adjustment towards the medium-term objective, in line with the requirement of an annual structural adjustment of at least 0,5 % of GDP, more in good times, and ensure that the debt rule is met in order to put the high general debt ratio on a sustainable path. **Prioritise expenditure-based fiscal consolidation and increase further the efficiency and quality of public expenditure**. Maintain tight control of expenditure in central, regional and local administration. Continue the restructuring of the state-owned enterprises. Develop by the end of 2014 new comprehensive measures as part of the ongoing pension reform, aimed at improving the medium-term sustainability of the pension system. Control healthcare expenditure growth and proceed with the hospital reform. Review the tax system and make it more growth-friendly. **Continue to improve tax compliance and fight tax evasion** by increasing the efficiency of the tax administration. Strengthen the system of public financial management by swiftly finalising and implementing the comprehensive reform of the Budgetary Framework Law by the end of 2014. Ensure strict compliance with the Commitment Control Law. Effectively implement single wage and supplements' scales in the public sector from 2015 onwards.
2. Maintain **minimum wage developments** consistent with the objectives of promoting employment and competitiveness. Ensure a wage setting system that promotes the alignment of wages and productivity at sectoral and/or firm level. Explore, in consultation with the social partners and in accordance with national practice, the possibility of mutually agreed firm-level temporary suspension of collective agreements. By September 2014, present proposals on mutually agreed firm-level temporary suspension of collective agreements and on a revision of the survival of collective agreements.
3. Present, by March 2015, an independent **evaluation of the recent reforms in the employment protection system**, together with an action plan for possible further reforms to tackle labour market segmentation. Pursue the ongoing reform of active labour market policies and Public Employment Services aimed at **increasing employment and labour participation rates**, specifically by improving job counselling/job search assistance and activation/sanction systems with a view to reducing long-term unemployment and integrating those furthest away from the labour market. **Address the high youth unemployment**, in particular by effective skills anticipation and outreach to non-registered young people, in line with the objectives of a youth guarantee. Ensure adequate coverage of social assistance, including the minimum income scheme, while ensuring effective activation of benefit recipients.
4. Improve the quality and labour-market relevance of the **education system** in order to reduce early school leaving and address low educational performance rates. Ensure efficient public expenditure in education and reduce skills mismatches, including by increasing the quality and attractiveness of vocational education and training and fostering cooperation with the business sector. Enhance cooperation between public research and business and foster knowledge transfer.
5. Monitor banks' liquidity position and potential capital shortfalls, including by on-site thematic inspections and stress-testing. Assess the banks' recovery plans and introduce improvements to the evaluation process where necessary. Implement a comprehensive strategy

to reduce the corporate debt overhang and reinforce efforts to widen the range of financing alternatives, including for early stages of business developments, by enhancing the efficiency of the debt restructuring tools (particularly PER and SIREVE) for viable companies, introducing incentives for banks and debtors to engage in restructuring processes at an early stage and improving the availability of financing via the capital market. Ensure that the identified measures support the reallocation of financing towards the productive sectors of the economy, including to viable SMEs, while avoiding risks to public finances and financial stability. Implement, by end September 2014, an early warning system mainly with supervisory purposes, to identify firms, including SMEs, with a high probability of default due to an excessive level of indebtedness, and which can, indirectly, promote early corporate debt restructuring.
6. Implement the second and third packages of measures in the energy sector aimed at reducing energy costs for the economy, while eliminating the electricity tariff debt by 2020, and closely monitor implementation. Improve the cross-border integration of the energy networks and speed up implementation of the electricity and gas interconnection projects. Implement the comprehensive long-term transport plan and the "chronogram" setting out the ports sector reforms. Complete the transports concessions for the metropolitan areas of Lisbon and Oporto. Ensure that the renegotiations of the existing port concessions and the new authorisation schemes are performance-oriented and in line with internal market principles, in particular procurement rules. Ensure that the national **regulatory authority for transport (AMT)** is fully independent and operational by the end of September 2014. Ensure the financial sustainability of the state-owned enterprises in the transport sector. Strengthen efficiency and competition in the railways sector, by implementing the plan for the competitiveness of CP Carga, after the transfer of the freight terminals while ensuring the management independence of the state-owned infrastructure manager and railway undertakings.
7. Further improve the evaluation of the **housing market,** including by setting up, by the end of 2014, a more systematic monitoring and reporting framework and issue a comprehensive report on the shadow economy in that market. Continue efforts to carry out further inventories of regulatory burdens with a view to including, by March 2015, sectors not yet covered. Adopt and implement, by the end of September 2014, the outstanding licensing decrees and sectoral amendments. **Remove, by the end of September 2014, remaining restrictions in the professional services sector** and enact the professional bodies' amended by-laws which have not yet been adopted under the macroeconomic adjustment programme. **Eliminate payment delays by the public sector**. Ensure adequate resources of the national regulators and competition authority.
8. Continue to rationalise and modernise central, regional and local public administration. Implement the reforms to **enhance the efficiency of the judicial system and increase transparency**. Step up efforts to evaluate the implementation of reforms undertaken under the macroeconomic adjustment programme as well as planned and future reforms. In particular, insert mandatory systematic ex ante and ex post assessments in the legislative process. Set up a functionally independent central evaluation unit at government level, which assesses and reports every six months on the implementation of these reforms, including consistency with the ex ante impact assessment, with corrective action if needed.

ANNEX 4: Progress in EU2020 targets for Portugal

Indicator	Portugal			EU28	
Employment rate (% of population aged 20-64)	**75**		**2020 target**	**75**	
	65.4		2013	68.4	
	66.3		2012	68.4	
	68.8		2011	68.5	
	70.3		2010	68.5	
Expenditure on R&D (% of GDP)	**2.7**		**2020 target**	**3**	
	1.36		2013	2.02*	
	1.37		2012	2.01	
	1.46		2011	1.97	
	1.53		2010	1.93	
Greenhouse gas emission (Index 1990=100)	**n.n.t**		**2020 target**	**80**	
	n.a.		2013	n.a.	
	114.87		2012	82.14	
	115.74		2011	83.21	
	117.7		2010	85.73	
Share of renewable energy (%)	**31**		**2020 target**	**20**	
	n.a.		2013	n.a.	
	24.6		2012	14.1	
	24.5		2011	12.9	
	24.2		2010	12.5	
Primary energy consumption (million tonnes of oil equivalent-TOE)	**n.n.t**		**2002 target**	**1 483**	
	n.a		2013	n.a	
	20.9		2012	1583.5	
	21.9		2011	1596.4	
	22.6		2010	1653.6	
Early school leaving (% of population aged 18-24)	**10**		**2020 target**	**10**	
	18.9		2013	12	
	20.5		2012	12.7	
	23		2011	13.4	
	28.3		2010	13.9	
Tertiary educational attainment (% of population aged 30-34)	**40**		**2020 target**	**40**	
	30		2013	36.9	
	27.8		2012	35.9	
	26.7		2011	34.7	
	24		2010	33.6	
Population at risk of poverty or social exclusion (thousand, *% of total population*)	**n.n.t**	**n.n.t**	**2020 target**	**Reduce by 20 millions**	**n.e.t**
	2877	27.4	2013	122649*	24.5*
	2667	25.3	2012	124523	24.8
	2601	24.4	2011	121742	24.4
	2693	25.3	2010	118294	23.8

Source: Eurostat, - data extracted on 20.11.2014
* = Estimate; **n.n.t** = "no national target"; **n.a** = "not available" **n.e.t** = "no European target"