

**Question for written answer E-005241/2021
to the Commission**

Rule 138

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Subject: Credit guarantees for the Efacec company

In July 2020, Portugal nationalised Winterfell 2 Ltd.'s holding of 71.73%¹ of the share capital of the company Efacec. In August 2020 Portugal, through its National Development Bank (BF), provided a guarantee for a loan of EUR 70 million. In September 2020, the Banco de Portugal was informed that the estimated delinquency rate on this credit line was 100% (versus an average of 16%).² In December 2020 the Portuguese Government decided³ to take the company back into private ownership. The company's accounts for 2020⁴ reported management EBITDA of negative EUR 20.2 million and net financial debt of over EUR 150 million. These negative results look even worse when financing costs and amortisations are taken into account.

The Portuguese government is preparing⁵ to provide a further guarantee of up to EUR 40 million, bringing the total to EUR 110 million.

Can the Commission therefore say:

1. Whether the provision of repeated guarantees for bank loans to Efacec via Portugal's Development Bank is in compliance with EU competition rules?
2. Whether providing such support is in accordance with the Bank's mandate, as laid down in a Commission decision⁶ and national law⁷?

¹ <https://dre.pt/dre/detalhe/decreto-lei/33-a-2020-137126910>

² <https://www.tcontas.pt/pt-pt/ProdutosTC/Relatorios/RelatoriosAcompanhamentoExecucaoOrcamental/Documents/2021/aeo-dgtr-rel001-2021-2s.pdf>

³ <https://dre.pt/dre/detalhe/resolucao-conselho-ministros/113-2020-151662903>

⁴ https://www.efacec.pt/wp-content/uploads/2021/04/Efacec_RC2020_PT_01.04.2020.pdf

⁵ <https://eco.sapo.pt/2021/11/06/estado-garante-mais-40-milhoes-a-efacec/>

⁶ https://ec.europa.eu/competition/state_aid/cases1/202035/286869_2183623_105_2.pdf

⁷ <https://dre.pt/dre/detalhe/decreto-lei/63-2020-142124830>