



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL  
ECONOMIC AND FINANCIAL AFFAIRS

The Director-General

Brussels, 30 June 2025  
ECFIN/MV

Mr José Maria Brandão de Brito  
Deputy Minister and Secretary of  
State for the Budget

Ministry of Finance  
Avenida Infante D. Henrique, 1  
1149-009 Lisboa  
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**Subject: Emergency energy support measures and fossil-fuel subsidies in Portugal**

Dear Mr. Brandão de Brito,

I am writing to you regarding the country-specific recommendations to Portugal to wind down the emergency energy support measures before the 2024/2025 heating season and to phase out fossil-fuel subsidies.

As indicated in recital 19 of the Commission proposal for the Council country specific recommendations to Portugal of 4 June 2025<sup>1</sup>, the net budgetary cost of emergency energy support measures is estimated at 0.3% of GDP in 2024 and it is projected to decrease to 0.1% in 2025. This remaining amount relates to the reduction of excise duties of diesel and benzine which continues to apply.

Therefore, the Commission considers that Portugal's emergency energy support measures were only partly wound down before the 2024/2025 heating season and this is not fully in line with what was recommended by the Council.

Considering that excise duty reduction on diesel and benzine acts as a fossil fuel subsidy, it is important to note that the Commission is proposing to the Council to recommend Portugal to take action to “reduce overall reliance on fossil fuels in the transport sector in particular by phasing out fossil-fuel subsidies.”

Therefore, I invite Portugal to provide an update to the Commission about recent and planned progress to fully wind down the emergency energy support measures and to phase out fossil-fuel subsidies, while calling for Portugal's decisive action to address those issues.

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<sup>1</sup>[https://commission.europa.eu/document/download/c0342a95-d83d-4939-9877-0e72b74574f6\\_en?filename=COM\\_2025\\_222\\_1\\_EN\\_ACT\\_part1\\_v5.pdf](https://commission.europa.eu/document/download/c0342a95-d83d-4939-9877-0e72b74574f6_en?filename=COM_2025_222_1_EN_ACT_part1_v5.pdf)

Yours sincerely,

Electronically signed

Maarten VERWEY

c.c.: Mr Tuomas Saarenheimo, EFC President  
Ms Paula Costa, EFC Alternate Member for Portugal