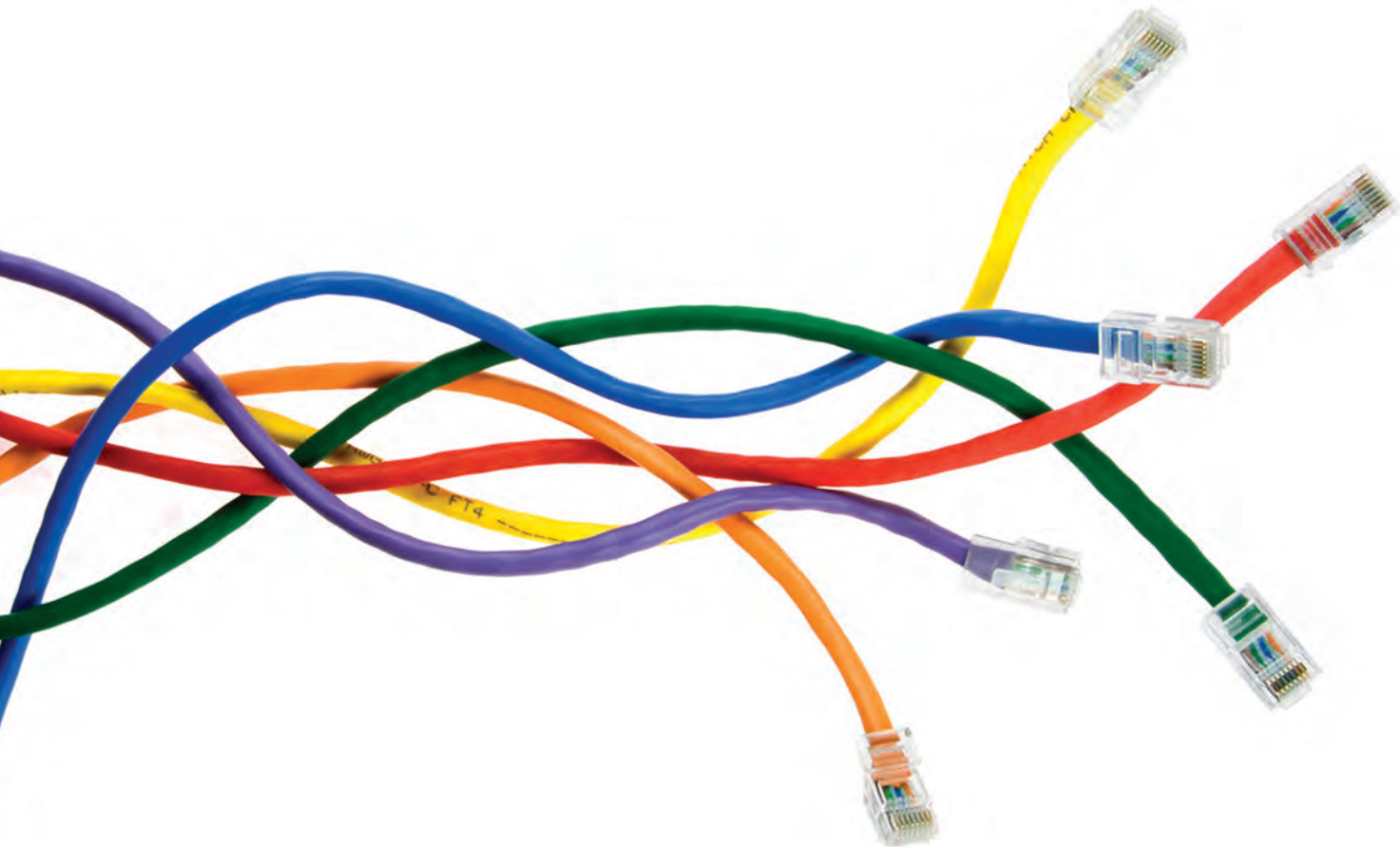


Connect to Incentives
Create value
with public funding



A window of opportunities



Why incentives?

The increasing challenges of competitiveness in the current global market and the need to ensure the best financing conditions required to achieve strategic objectives have placed the matter of investment incentives at the top of the priorities of governments and organisations.

In Portugal there are at present several investment incentives systems available, on a community and non-community basis, enabling organisations to obtain public support to fund their investment projects in the most diversified areas including, among others, Environment, Energy Efficiency and Diversification, Digital Economy, Professional Training, Equal Opportunities, Innovation, Internationalisation, Research and Development (R&D), Quality, Social Responsibility, Occupational Health and Safety.

Why Deloitte?

The great variety of public funds and the complex access to them, their limited supply, and the need for organisations to comply with certain conditions of access and eligibility, before, during and after effective realisation of the investment project, require increasingly specialised technical support.

Accompanying the financial evolution and impact of the investment incentives, Deloitte is a consultancy firm that helps organisations apply for community co-financing support, as well as other tax benefits.

Deloitte has a multidisciplinary team which adapts itself to the needs of our client organisations, and which is specialised in all phases of the process of obtaining investment incentives.

Deloitte also places at the disposal of its clients, a large and recognized international network in the investment incentive areas (Global Grant Consultants) and support for R&D (R&D Global).

How to apply incentives in your organisation

Public financial and tax support, as well as other financing schemes, are important instruments to support the realisation of priority activities underlying the strategic plans defined by organisations.

Solutions to motivate the creation or realisation of new businesses, qualification of human resources, business growth and innovation, or the launching or expansion of internationalisation, are fundamental for organisations to effectively create value.

The European Union and the Portuguese State provide assistance in several ways, such as grants, loans and, in some cases, guarantees. This support is provided through programs managed on a regional or national basis, such as structural or community funds, as well as various financing opportunities.

The European Union financial package

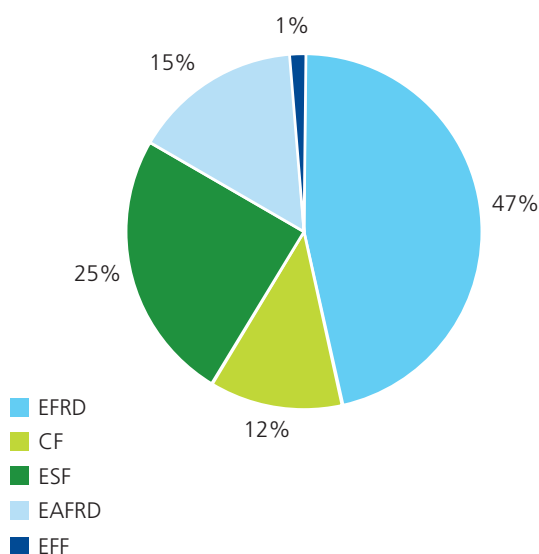
The National Strategic Reference Framework (NSRF) is an instrument to implement the community economic and social cohesion policy in Portugal in the 2007 to 2013 period.

With a total of 21.5 billion Euros available, supported by the European Fund for Regional Development (EFRD), European Social Fund (ESF) and Cohesion Fund (CF), the NSRF has as priority objectives the competencies of the Portuguese, increase in knowledge, science, technology and innovation, as well as the promotion of high and sustainable levels of economic and socio-cultural development and territorial qualification in the context of increasing equal opportunities and efficiency, as well as the quality of public administration.

In addition to NSRF's funding responsibilities, it is important to mention, in terms of European budgetary contributions available for Portugal in the 2007 to 2013 period, the assistance of the European Agricultural Fund for Rural Development (EAFRD) and the European Fund for Fisheries (EFF), totalling approximately 4.2 billion Euros.

Several public institutions endeavour to motivate organisations to develop projects

Indicative financial benefits granted by fund and operating program (2007-2013)



Funding alternatives provided by the European Union

In addition to the funds mentioned earlier, the European Union provides other funding alternatives with specific objectives, such as funds for Environment, Education or Research, conceived, implemented and managed directly by several different European Commission departments. In this respect, the organisations can apply directly to these programs, so long as they provide sustainable projects, of a transnational nature, and with value added.

Finally, there are other financial instruments that endeavour to motivate investment in certain strategic areas through the granting of specific financing conditions to enable projects to be developed.

100% National solutions

Portugal also provides alternatives that enable the investment intentions of national organisations to be supported in terms of tax and parafiscal matters, as well as financial support.

There are several total or partial exemptions, as well as several deductions from income and from taxes, that make up the Portuguese tax framework.

The successive launching of credit lines to cover investment initiatives and internationalisation, the use of credit guarantees or the possibility of accessing risk capital or other types of investment funds complement the various opportunities that are available to the investor in Portugal.

The process of obtaining investment incentives requires professional advice



How to create value in your organisation

For several reasons access to the available incentives, which can be an important factor in providing the resources to achieve strategic objectives, is often a more complex process than companies expect. Some of these reasons comprise, among other factors, the diversity of investment incentives available, government policy, the interpretation of the legal framework of each system or the demands and conditions of each call for proposals and management of the applications.

Based on its experience in such situations, Deloitte has prepared, and used, a working methodology consisting of four inter-related phases when assisting its clients. In accompanying the life cycle of the projects, from their conception to the final assessment of the results achieved, this model has contributed to support organisations with the difficulties they face with the process of obtaining investment incentives, enabling them to concentrate their efforts on executing their projects.

Phases	Services	Activities
Preparatory studies	Framework and simulation	Analysis of the available public co-financing opportunities, related risks and simulation of the potential incentive.
Applications	Diagnostic Forms	Assistance with the documentation and identification of the critical competitive areas that support the investment needs identified, training plan and/or research and development projects. Preparation of the application form.
Analysis and contracting	Clarifications and assistance	Assistance in preparing and providing the additional information requested by the authorities during their analysis of the application, support in defining the negotiating strategy and assisting in reviewing the contract.
Realisation	Accompanying the execution of the project Closing and evaluation	Accompanying the realisation of the project, considering the incentive contracted. Recommendations and warnings in the case of deviations, support in preparing the incentive payment requests and assistance in the case of possible audits. Closing of the project and evaluation report.

A story of shared successes

Accompanying the financial evolution and impact of the investment incentive policies, Deloitte's experience as a consultant to organisations that apply for community financial support dates back to Portugal joining the European Economic Community. In addition, in 2008 we celebrated thirty years of rendering services including advising, consulting or otherwise assisting organisations regarding tax and non-tax benefits available.

Agriculture, Industry and Services

We assisted many organisations with their incentives applications for which more than 100 million Euros have already been made available.

Education

We contributed to several applications in the Education area, which have already resulted in incentives in excess of 40 million Euros.

Professional development

We assisted different organisations to define, implement and evaluate several projects with approved incentives in excess of 10 million Euros.

Renewable Energy

We assisted in the establishment and diagnoses relating to the implementation of projects in the solar photovoltaic area, for which incentives in excess of 17 million Euros were obtained.

R&D

We participated as consultants in several investment projects for which tax incentives in excess of 20 million Euros have already been approved.

Tourism

We assisted organisations in several projects considered as innovative solutions in Portugal with incentives totalling more than 30 million Euros.

Transport

We collaborated in studies and applications which granted Portugal a package of incentives exceeding 380 million Euros.



For more informations, please contact us:

Lisboa
Edifício Atrium Saldanha
Praça Duque de Saldanha, 1 - 6º
1050-094 Lisboa
Portugal
Tel.: +(351) 210 422 500
Fax: +(351) 210 422 950

Porto
Bom Sucesso Trade Center
Praça do Bom Sucesso, 61 - 13º
4150-146 Porto
Portugal
Tel.: +(351) 225 439 200
Fax: +(351) 225 439 650

Luanda
Rua Engº Costa Serrão, nº 13
Luanda
República de Angola
Tel.: +(244) 222 391 808
Fax: +(244) 222 391 972
angola-geral@deloitte.pt

www.deloitte.pt

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