

State of Emergency in Portugal

Last update: 7 p.m., 19th March 2020

Portugal is under the State of Emergency since midnight. An unprecedented decision in the country's democratic history, [justified by the President of the Republic](#), Marcelo Rebelo de Sousa, with the "national interest" in facing the Covid-19 pandemic, which he considers "a real war". In this context, the Portuguese President warns that "the State is called to help the economy".

The Presidential decree is comprehensive, setting an extended legal framework for the Government to decide, in the next 15 days, on the measures it deems necessary and to reassess them according to the pandemic's evolution, all the while complying with the Portuguese Constitution. Before being promulgated, the document had the favourable opinion from the government and was approved in Parliament with votes in favour from PS, PSD, Left Bloc, CDS-PP, PAN and Chega! (far right), and with abstentions from the PCP, Greens, Liberal Initiative and of the non-registered Member Joacine Katar Moreira.

The Prime Minister, António Costa, guarantees that "democracy is not suspended" and that "the country will not stop".

The State of Emergency is in effect until 11:59 pm on April 2, with the possibility to be renewed through the same political process.

NEW DECISIONS FROM THE GOVERNMENT

On the morning of Thursday, the 19th of March, António Costa's Government started a long meeting of the Council of Ministers which ended mid-afternoon. At around 5 p.m., the Prime-Minister spoke to the country and announced a new list of measures in accordance with the power invested upon the Government by the State of Emergency:

- Patients under mandatory domestic quarantine, people over 70 years of age and people with illnesses that increase the mortality risk are forbidden to leave their homes except for urgent needs.
- The remaining population is also duty-bound to remain home except for urgent needs.
- Remote work must be generally implemented in the public and private sectors.
- All citizen service locations will be closed, except for municipal support stations.
- Non-essential commercial spaces with customer service must remain closed except for coffees and restaurants with take-away service, bakeries, gas stations, grocery stores, kiosks, supermarkets and pharmacies.
- Flights to the Azores, Madeira and countries with significant Portuguese communities must be ensured.
- The security forces will be responsible for guaranteeing the implementation of these measures, coordinated by the Ministry of Internal Affairs. They will have the power to close stores and enforce rules on citizens.
- The Government will have a right to impose special sanctions if these rules are continuously broken.
- The Government will form a special crisis cabinet composed by the Prime-Minister, all the Ministers of State, the Minister of Health, the Minister of Internal Affairs, the Minister of Infrastructure and Housing and the Minister of National Defence.

SUPPORTING THE ECONOMY

While the transition from a state of alert to a state of emergency was yet to be decided, this Wednesday, March 18, the Portuguese Government announced a new set of measures to deal with the Covid-19 pandemic. At a joint conference, the Minister of State, Economy and Digital Transition, Pedro Siza Vieira, and the Minister of State and Finance, Mário Centeno, announced new measures to support family income and business activity with a global value of 9,200 million euros.

Mário Centeno described the measures for “times of war”. Of the set of measures announced this Thursday, 3 billion euros correspond to secured credit lines, around 5,200 million euros concern taxes and 1 billion euros are related to contributions:

- Credit lines up to 3 billion euros for companies (600 million euros for restaurants and alike; 200 million euros for tourism and travel agencies, entertainment and events organization; 900 million euros for hotels and

tourism enterprises; and 1,300 million euros for the textile, clothing, footwear, mining and wood industry);

- Flexibility in terms of access to the 200 million credit line announced last week;
- Flexibility in the payment of taxes: VAT and withholding taxes on IRS and IRC may be paid by companies and independent workers in a fractioned manner up to six tranches;
- Flexibility of Social Security contributions, which are reduced to one third in March, April and May;
- Suspension of enforcement processes in the tax and contributory area for three months;
- Capital default and interest on credit;
- Increase in the maximum limit for contactless payments, to reduce payments in cash.

In less than a week, there have already been four sets of measures announced by the Government. On the 12th March, the Socialist Executive announced comprehensive measures, aimed at companies and workers and in the areas of education, health, social services, civil protection, justice, tourism and leisure, Public Administration and public services. Days later, on the 15th March, the Government adjusted the strategy in some crucial sectors and added measures to the initial package, imposing territorial land restrictions for the first time and severely limited access to leisure activities in public spaces in order to encourage domestic isolation.

The Council of Ministers will meet once again on Friday March 20th, to draft another package of measures to support companies and independent contractors and soften the economic impact of the pandemic.

So far, Portugal has recorded a total of 785 cases of infection with the new Coronavirus, four deaths and three full recoveries.

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