Guide on Access to Law and Justice
Technical sheet

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Guide on Access to Law and Justice: Companies

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INTRODUCTION

This guide is designed to be a practical aid to companies and Portuguese entrepreneurs who wish to set themselves up in Portuguese territory. It purports to provide, in a single instrument, general and relatively simplified information on the access to law and justice, as well as to offer a set of other relevant information to those who want to set up a commercial company and start up a business.

In this scope, in addition to information on the justice system and on the dispute resolution means, either judicial or alternative, it encompasses a set of other targeted information, such as the setting up of commercial companies and possible models, necessary or useful registries, the conclusion of contracts and their default, or the specificities of the labour contract and the labour rules.

With a view to promoting the principles of a democratic Rule of Law and of transparency in trade relations, this guide provides brief but specific information on the protection of personal data and on the obligations towards consumers.

With this guide, the Directorate-General for Justice Policy (DGPJ) of the Ministry of Justice, which also has the mission to promote the access to law and justice, seeks to offer a concise aid in a structural area for informed and responsible citizenship and for the proper functioning of an investment and employment friendly economy. Any suggestions that could improve this work will of course be very welcome.

Miguel Romão
Director-General
The information and legal references contained in this Guide have been compiled with the utmost accuracy and timeliness at the time of its preparation. However, consultation of the legislation in force, which may be accessed through the "Diário da República" (Portuguese Official Journal) (www.dre.pt) should not be dispensed with. It does not intend to replace the legal advice provided by a lawyer or solicitor.
1. HOW TO SET UP A COMPANY IN PORTUGAL

1.1. Types of commercial companies

Business must have a prior legal form. This form shall depend on the number of partners and on the type of structure envisaged.

The rule on free share capital with some exceptions applies.

In Portugal, there are no restrictions to the entry of foreign capital and there is no discrimination on the basis of the nationality or residence of the investor. It is therefore not mandatory to have a national or resident partner, nor are there any limitation on the distribution of profits or dividends abroad. However, the partners or stakeholders of the company must have a tax identification number (NIF) assigned by the Tax and Customs Authority, a body of the Ministry of Finance and Public Administration.

For tax purposes and at the time of the application for the allocation of a NIF, the foreign citizens or non-residents have to compulsory appoint a tax representative, the tax delegate, domiciled in Portugal, which may be a natural or legal person. Only for nationals residing in the European Union, Iceland or Norway, the appointment of a tax representative is optional. Brazilian citizens are also exempted from appointing a tax delegate when applying for the citizen card next to the competent national authorities.

There are the following options for a single company structure, that is, when only one person is involved in the company structure:

• **Sole trader**
  A company set up with only one person, i.e. a natural person, to whom the law does not require a minimum share capital. The sole trader allocates his personal assets to the operation of his activity and has unlimited liability for the debts incurred in the course of his business.

• **Single-member of a private limited company**
  In this type of company, a single natural or legal person owns the entire share capital, with the minimum value of 1 €. The liability of the entrepreneur or shareholder is limited to the value of the share capital.
• **Individual Establishment of Limited Liability (EIRL)**
Type of company in which the entrepreneur allocates a given capital, independent from the staff, to the operation of the activity. It has a minimum share capital of 5,000 € and the assets allocated therein can only cover the debts resulting from the activities falling within the scope of the EIRL.

• **Public limited company with only one shareholder**
Type of company with a single shareholder. The particularity is that this shareholder must necessarily be a legal person. It has a minimum share capital of 50,000 €, limited liability, nominative shares and its regime is subject to specific features.

In the case of a **collective company structure**, with more than one intervening person, there are a number of other possibilities:

• **Private limited company**
A legal form that requires at least two partners, and where the contribution of goods and services is not allowed. It has a minimum share capital of 2 € (each share must have a value of at least 1 €) and the liability of the shareholders is limited to the share capital.

• **Public limited company**
This type of company requires a minimum of 5 partners and the liability of each shareholder is limited to the value of the shares subscribed to. It has a minimum share capital of 50,000 €.

• **European public limited company**
This type of company is an easier way of managing a company that is present in more than one EU country, given that the activities may be reorganised under a single European trademark or brand and the business run without setting up a network of subsidiaries. This is a limited liability company whose capital is divided into shares. Each shareholder shall be liable only within the limit of the subscribed capital. It has a minimum share capital of 120,000 €.

• **Partnership**
This type of company requires at least 2 partners, but does not require a minimum capital. The partners have unlimited, subsidiary liability in relation to the company and joint liability before the creditors.

• **Limited partnership**
These are mixed liability companies, as they bring together partners with limited liability, who contribute with capital (the limited partners), and partners with unlimited and joint liability, which contri-
bute with goods or services and assume the management and effective operation of the company (general partners). In the case of a limited partnership, at least 2 partners are required and in limited share partnerships 5 limited partners and 1 general partner are needed. The minimum share capital is 50,000 €.

**Cooperative**
This is a specific type of company, since cooperatives are autonomous legal persons, of free formation, of variable capital and composition, which, through the cooperation and mutual assistance of their members, in compliance with the cooperative principles, aim, on a non-profit basis, to meet their economic, social or cultural needs and aspirations.

Public and private limited companies may be set up in the form of a holding company, which complies with the rules of their respective regimes. These are companies, which have as their sole object the management of shares in other companies, as an indirect way of carrying out economic activities.

Once the legal form has been decided, it is necessary to comply with a set of other proceedings which, to facilitate, may be initiated at a Centre for Business Formalities (CFE). CFE answers and provides information to citizens in order to facilitate the process of setting up, alteration or extinction of companies. It encompasses, in a single location, delegations or branches of the Departments or Bodies of the Public Administration that are most directly involved in the abovementioned proceedings.

**1.2. Setting up of companies in a short time or online**

It is also possible to opt for the “On the spot Firm” procedure, a system that is quicker, with less red tape and equally effective.

Through this initiative it is possible to set up a single-member of a private limited company, a private limited company and a public limited company (with the exception of European public limited companies), in a few steps, in the same place and in less than 1 hour.

The partners can go to any “On the spot Firm” counter, irrespective of the location of the registered office of the future company. A list of the available points of contact can be found at empresanahora.justica.gov.pt or at justiça.gov.pt.
Here, you just need:

- to **choose a company name** from a pre-approved list or provide a certificate of admissibility already approved by the National Register of Legal Persons;

- to **designate a Certified Accountant** (TOC), choose one of the TOC’s offered or provide a statement on the start-up of the business in any department of finance (up to 15 days after the establishment of the company);

- that the company’s shareholders have paid the **company’s share capital** or have declared that the value will be deposited in cash or delivered to the company’s vaults;

- if the members are **natural persons**, they must provide an identification document (citizen card, identity card, passport or residence permit) and specify their tax identification numbers (NIF).

If the partners are **legal persons**, they must provide the:

- Legal Person Identity Card or the Electronic Card Access Code;

- minutes of the General Assembly’s deliberation assigning to the legal representatives the power to set up the company;

- documents identifying the legal representatives of the company to be set up (citizen card, identity card, passport or residence permit), and the deed certificate or the updated articles of association of the legal persons.

**All the partners** of the company **must be present** at the time of the request to set up the company.

The **cost** of setting up an “**On the spot Firm**” varies according to the elements that you decide to add to the application to set up the legal person. However, it is possible to set up an “**On the spot Firm**” as of 360 € (standard application).

In the same way as it is possible to set up an “**On the spot Firm**”, it is also possible to adopt a similar procedure for the branches by means of the “**On the spot Branch**”.

To avoid travel, it is also possible to set up an “**Online Company**” by means of an extremely flexible process.
This process allows private limited companies, single-member private limited companies and public limited companies to be set up.

To take advantage of this tool, it is sufficient to hold a Citizen Card (or Digital Certificate) and a Card Reader or a Digital Mobile Key.

This service can be accessed at eportugal.gov.pt or at justica.gov.pt.

**Here you just need to:**

- authenticate with the Citizen Card or Digital Mobile Key, if you are a citizen;

- authenticate with a Digital Certificate, if you are a lawyer, a solicitor or a notary.

The cost of setting up an “Online Company” varies according to the elements that you decide to add to the application to set up a legal person. Nonetheless, it is possible to set up an “Online Company” from 220 € (with a pre-approved model of the articles of association).

**1.3. Company IN, one-stop-shop for foreigners to set up a company in Portugal**

*Foreign investors* seeking to set up a company in Portugal, across any sector of activity, can now more easily do so at a new dedicated fast-track counter called *Company IN*.

Foreigners wanting to set up a company in Portugal can now book an appointment with an English-speaking employee at the *Company IN* one-stop-shop service, in Lisbon. There, a NIF (Tax Identification Number) shall be assigned, thus eliminating the need to previously request it to the Tax Authority. Additionally, bilingual minutes of proxies, memoranda and articles, are available online on the *Company IN* website, where you can find all the information to assist you on the process of setting up a company.

In this pilot stage, appointments in English can be booked by email (companyin@irn.mj.pt) or through the “On the spot Firm” of the National Register of Legal Persons (RNPC), landline (+351 217 714 300).

For more information please visit the “Company IN” session available at empresanahora.justica.gov.pt.
1.4. Entrepreneur’s Desk

To support the business activity, it is also available, on the eportugal.gov.pt website, the “Entrepreneur’s Desk”. In this virtual desk, the economic operators may consult and submit electronic applications. They may, on a single site, deal with a variety of subjects, such as setting up a company, registering a trademark, obtaining certificates or licensing the activities.

It also provides the consultation and information on the laws, regulations and formalities applicable to the provision of services. It provides dematerialised forms and documentation, which can be sent electronically.

Find out more at eportugal.gov.pt.
2. REGISTRATION – WHAT AND HOW TO REGISTER

Registration is a form of advertising legal situations. There are different types of registration depending on the legal situation in question. There are records of a civil nature, such as birth registration, marriage or death records and other related to them or altering them, such as filiation, sex change or inheritance alterations, the property registrations, such as the land register and car registration, and records of a commercial nature, such as the registrations of legal persons. There is also the criminal record and the central register of beneficial ownership.

Most of these records are currently available in a simple, quick and particularly free of red tape - in most cases just a click away. The Ministry of Justice, through the Institute of Registries and Notary (IRN), the Directorate-General of Justice Administration (DGAJ) and the Portuguese Institute of Industrial Property (INPI), provides a range of online and physical services, which facilitate the procedures in this field.

The certificates related to records, i.e. documents attesting to registered situations, may be requested and viewed in person at the respective services, in the Espaços Registos or at the Lojas do Cidadão, or via the websites justica.gov.pt or eportugal.gov.pt.

With regard to the companies, the commercial registration is particularly relevant, as it purports to advertise the legal situation of sole traders, of commercial companies, civil companies under a commercial form and individual establishments of limited liability, bearing in mind the security of the legal trade. Through the commercial register, a number of events can be recorded, from the moment the company is set up to the moment of its extinction.

This registration can be done in two ways:

- by transcription, i.e. the acts to be registered are approved or refused by the registrar who transcribes them to the public records;

- by deposit, if the purpose is to merely file documents on facts which are subject to commercial registration. Registration by deposit does not depend on the validation of a registrar or officer.
Are **registered by transcription**, in particular:

- the setting up of the company;
- the appointment and termination of office, on any ground other than the course of time, of the companies’ management and supervisory bodies, as well as the company’s secretary;
- the change of the registered office and the transfer of the registered office abroad;
- the extension, merger, de-merger, conversion and dissolution of companies;
- the increase, reduction or reintegration of share capital;
- any amendment to the articles of association;
- the designation and termination of duties, prior to the conclusion of the liquidation, of the companies’ liquidators, as well as the acts of modification pertaining to the legal or contractual powers of the liquidators;
- the conclusion of the liquidation or the return to the company’s activity.

Are **registered by deposit**, among others that the law specifically provides for:

- the resolution of the general assembly for the acquisition of assets by the company;
- the merger, division and transmission of quotas;
- the promise to alienate or encumber parts of the capital or shares, as well as the pre-emptive rights, if it has been agreed to give them legal force;
- the establishment and transfer of usufruct, collateral security, seizure, listing of assets and attachment of shares;
- the draft establishment of a European public limited company by merger, the draft establishment of a European public limited company by conversion of a public limited company under national law, and the
proposed establishment of a public limited European holding company;

- the provision of annual and, where appropriate, consolidated accounts;

- the proposed transfer of the registered office to another Member State of the European Union;

- the draft terms of the conversion into a public limited company under national law;

- the proposed transfer of the registered office of the European Economic Interest Grouping;

- the provision of accounts by companies with the registered office in Portugal or abroad and permanent representation in Portugal.

The commercial registration may be requested by:

- those who have powers of attorney to intervene in such capacity;

- a duly empowered representative;

- lawyers, notaries and solicitors;

- auditors and certified accountants as regards the application to deposit the account documents.

The commercial registration is available online at justica.gov.pt. Alternatively, the acts of commercial registration may be requested in person at any Commercial Registry Office or at the Espaços Registos.

For the activity of a trading company, other records may also be relevant, in particular:

- the Land Registry, which has as main purpose the advertising of the legal situation of the real estate, with a view to securing the real estate legal trade. The purchase and sale of real estate, as well as other property rights, are recorded.

It is possible to access this register and perform all the relevant acts at any Land Registry Office, at the Espaços Registos or online at predial-online.pt or justica.gov.pt.
the **Motor Vehicle Registry**, which has as main purpose the advertising of the legal situation of motor vehicles and their trailers, bearing in mind the security of the legal trade. For registration purposes, shall be deemed vehicles, the motor vehicles and their trailers, which, in accordance with road traffic regulations, are subject to registration.

Through the Online Motor Vehicle service, it is possible to request several registrations on vehicles and their trailers via the Internet and subsequently receive the Registration Certificate/Single Motor Vehicle Document, without travelling. On this site, it is possible to:

- submit online the application for the registration of ownership transfer of a vehicle (e.g. register the new owner of a car, following the purchase of a new or used car) and other registration documents on vehicles and their trailers;
- check the status of the application after it has been completed;
- submit the permanent certificate of vehicle registration;
- check the permanent certificate of vehicle registration.

It is possible to access this register and perform all the relevant acts at any **Motor Vehicle Registry**, at the **Espaços Registos** or online at **automovelonline.mj.pt** or at **justica.gov.pt**.

- the **Criminal Record** contains information on criminal convictions of natural and legal persons and allows the criminal background of convicted persons to be known.

In the criminal record certificate, there is information on:

- criminal convictions handed down by Portuguese courts;
- decisions by Portuguese courts applying security measures;
- criminal decisions of foreign courts, communicated to Portugal under international agreements, concerning Portuguese or foreign citizens residing in Portugal, and legal persons having their registered office, effective management or permanent representation in Portugal.
Any person over 16 years of age may **request the criminal record** if it is his own criminal record, and any person over 18 years of age may request the criminal record of another person, if authorised to do so. The request, in this case, has to be made in person, and the authorisation has to be submitted to the services.

The criminal record certificate of a legal person may only be requested by its legal representative.

This certificate may be **requested and viewed online** at registocriminal.justica.gov.pt, **in person** or, if the person resides abroad, **by post or email**. In person, it can be requested at one of the branches of the Criminal Identification Services (available also at the Espaços Cidadão) or at the Central Units or Proximity Divisions of the County Courts.

The certificate costs 5 € if it is issued on paper, but the online consultation is free of charge.

This document is valid for 3 months.

The criminal record of a commercial company may be necessary for several purposes, such as, for instance, public procurement contracts, as is clear from the Public Procurement Code.

- The **Central Register of Beneficial Ownership** (RCBE) purports to identify all the persons who control a company, fund or any other legal entity. The RCBE declaration must be completed by all entities established or wishing to do business in Portugal.

The **register of beneficial ownership** can be made at rcbe.justica.gov.pt or on the premises to be indicated on the IRN – Institute of Registries and Notary webpage, when linked to an application for commercial registration, or by an entry in the Central Register of Legal Persons, by appointment only, when available.

The registrations may also be viewed online.

More information is available at rcbe.justica.gov.pt.

Where **translation of documents** is required in order to proceed or base an act of registration, this one may be carried out by the following services or entities:

- Portuguese Notary Office;
- Central Registry;
- Civil Registry;
• Portuguese consulate in the country where the document was issued;

• Consulate representing, in Portugal, the country where the document was issued;

• Chambers of Commerce and Industry, recognised in accordance with the Decree-Law 244/92 of 29 October;

• Lawyers and Solicitors.

It may also be made by a qualified translator, and certified by any of the above-mentioned departments or entities.

May not act as a translator the person to whom the translated document relates, or whenever the translation refers to his/her spouse or to other family members referred to in Article 68 (1) (e) of the Notary Code.
3. INTELLECTUAL PROPERTY

Intellectual property is, in the context of the investment, of particular importance, which is why it is treated autonomously from the rest of the registrations. In Portugal, only the Portuguese Industrial Property Institute (INPI) may grant exclusive rights to trademarks, inventions and designs under the Industrial Property Code (CPI). These rights shall be allocated through registration. The registration protects the holder from the unauthorised use and marketing of his trademarks, patents or designs. INPI’s mission is to ensure the promotion and protection of industrial property rights, both at national and international level.

Registrations under the jurisdiction of INPI:

**Trademark registration**

A trademark is a sign used to differentiate goods or services provided by a company in the business environment. The trademark may be:

- **Nominative**: composed by words (including personal names, letters or numbers);
- **Figurative**: comprising drawings, images or pictures;
- **Mixed**: made up of words (including personal names, letters or numbers) and drawings, images or pictures;
- **Audio**: comprising sounds, provided that they can be represented graphically;
- **Three-dimensional**: comprising the shape of the product or its packaging;
- **A slogan**: Composed of an advertising phrase, even if the phrase is already protected by copyright.

In addition to the trademark, other trade signs may be registered: logos, designations of origin, geographical indications, collective marks, certification or guarantee marks and awards.
A **logo** is a sign that identifies a commercial entity, and that can be used in shops, vehicles, advertising, printed publications or correspondence. It may consist of words (including personal names), drawings, letters, numbers, or a combination of the foregoing.

The **designation of origin** is the use of the name of a region, place or country to designate or identify a product that originates in such region, place or country, and whose quality or other characteristics are essentially or exclusively due to the environment in which it is produced (including natural and human factors). The production, processing and preparation of the product must take place in that geographical area. For a product to be protected as a designation of origin there must be a strong link between the product and the region of origin. It is therefore in this surrounding that it must be produced, processed and prepared.

The **geographical indication** is the use of the name of a region, place or country to designate or identify a product that originates in that region, place or country and whose reputation, certain quality or other characteristic can be attributed to that geographical origin. The production, processing or preparation of the product must take place in that geographical area. In the geographical indications, the link between the product and the place of origin is weaker. It is sufficient that the reputation or other characteristic of the product can be attributed to that origin. It is enough that just one of the phases of the product creation (production, processing or preparation) takes place there.

The **collective mark** is a mark that identifies products or services related to the activity of an association of natural or legal persons. In the statutes or rules of procedure, it must be specified who may use the trademark, the conditions under which it is to be used and the rights and duties of the users, in the event of misuse or counterfeiting.

The **certification or guarantee mark** is a collective mark that belongs to a legal person that controls the products or sets the standards to be complied with by these products or services. This sign is used on the products or services subject to such control or for which standards have been laid down.

The **award** is a sign made up of words, letters, numbers, drawings, images or emblems. It is awarded to manufacturers, traders, farmers or entrepreneurs as a prize, a show of praise or a preference for their products. Are considered awards, the awards of merit, awarded by the Portuguese State or by other States, the medals, diplomas and prizes in cash or any other kind, obtained at official or recognised exhibitions, fairs and competitions, in Portugal or abroad, the diplomas and certificates of analysis or praise issued by the laboratories or State services or other qualified bo-
dies, the certificates of supplier of the Head of State, Government and other official, national or foreign bodies or institutions, or any other official prize or statement of preference. Awards may not be applied to products or services other than those for which they were created.

In general, signs that are already registered, that mislead the consumer, use words that are not of exclusive use, use sentences or words contrary to the moral rules and good faith, that infringe on the rights of third parties, favour unfair competition or contain state symbols, emblems of national or foreign public entities, coats of arms, names or portraits of persons, signs of high symbolic value (e.g. religious symbols), without permission of the persons or entities to whom those symbols belong, cannot be registered.

The rights granted by INPI are only valid on national territory. In order to protect your trademark or other signs abroad, you must apply for a European Union or an international trademark registration. If you prefer, you can apply for registration directly in each of the countries where you want to register your trademark or sign.

**Patent registration**

You may apply for a patent for inventions not yet known to the public (provisional patent applications). You can also protect the inventions through utility models.

A patent is an exclusive right that is obtained on inventions. In this scope, it is important to explain that an invention is a technical solution to solve a specific technical problem. The patent is a contract between the State and the person making the request. It gives the holder the exclusive right to produce and market the invention, in return for its public disclosure.

Patents for inventions can be obtained in all fields of technology. By contrast, in the case of utility models, it is not possible to protect inventions that focus on biological matter or on chemical or pharmaceutical substances or processes.

If the patent or utility model is granted, the holder shall hold an exclusive right entitling him to prevent third parties, without his consent, from making the object of the patent, from applying the protected means or processes, or from importing or exploiting the protected products or processes without proper authorisation.

Before making an application, you should consider whether to apply for a patent or utility model. Make sure your invention fits into the type of application you want to make and that this invention is not yet part of the state of the art.
The rights granted by INPI are only valid on national territory. Therefore, in order to protect your inventions abroad, you should make an international or a European application, or make a request directly in the countries where you want to protect your invention.

**Design registration**

Registering a design is the way to **legally protect your designs or models from unauthorized use**. All designs that have not yet been registered, that are new, unique and have never been released to the public can be registered as designs.

A design is a set of all the characteristics that define the look of whole or part of a product. It includes lines, contours, colours, shapes, textures and materials or other features of the product itself and of its ornamentation. In Portugal, the design of a product can be protected by the design or model registration.

The registration of a design takes at least 3 months to be processed. Once approved, the design registration is **valid for a maximum period of 25 years**.

The rights granted by INPI are only valid on national territory. To protect your designs or models abroad, you must apply for a European registration (to protect the design in the European Union) or an international registration. If you prefer, you can apply for registration of a design directly in each of the countries where you want to register your creation.

**Industrial Property Attorneys**

Are considered Industrial Property Attorneys - AOPI, those who, recognized by INPI, are able to perform acts of industrial property on behalf and in the interest of their clients and constituents, with waiver of power of attorney. The Decree-Law No. 15/95, of 24 January, legally regulates the exercise of the profession of the Industrial Property Attorneys within INPI. There is a list of Industrial Property Attorneys available at [inpi.justica.gov.pt](http://inpi.justica.gov.pt).

The **access to the AOPI activity** in Portugal is made through INPI and through two separate regimes, depending on whether or not the person concerned holds the AOPI capacity:

- **a)** The regime for acquiring the AOPI capacity (applicable to cases where the person concerned wishes to acquire this capacity for the first time);

- **b)** The regime for the recognition of the AOPI capacity previously acquired in another Member State (applicable to cases where the person concerned is already an AOPI in another country).
4. CONTRACTS: GENERAL APPROACH

4.1. Principles and form

Contracts are the expression of all legal transactions and the main source of obligations. They may take various forms, in some cases conditioning their validity, and have a wide range of objects. They are concluded on a daily basis in all transactions carried out, with greater or lesser formality.

The legal rules governing contracts, with the exception of certain specific cases, are laid down in the Civil Code.

The principle of contractual freedom applies in Portugal, that is, within the limits of the law, the parties may freely determine the content of contracts, enter into contracts different from those provided for in the Civil Code or include in them any clauses they deem appropriate. They may also bring together in the same contract, rules of two or more transactions, in whole or in part, regulated by law.

The principle of good faith also applies. This means that a person who negotiates with others the conclusion of a contract must proceed in accordance with the rules of good faith, failing which he/she shall be liable for the damages caused to the other party.

When the object is physically or legally impossible, contrary to the law or indeterminable, the legal transactions shall be null and void. Legal transactions contrary to the public order or offensive to the moral rules are also null and void. Usurious legal transactions, that is, when someone, by exploiting a situation of need, lack of experience, lightness, dependence, mental state or weakness of another person, obtains, for himself or third party, the promise of, or excessive or unjustified benefits, are voidable.

In force is also the principle that contracts must be fully complied with and may only be modified or terminated with the consent of those who have concluded them or in the cases laid down by law. Contracts take effect between the parties. They only take effect in relation to third parties in the cases and terms specifically provided for by law.

Some contracts, such as the purchase and sale of real estate or motor vehicles, require the subsequent registration of property. The simple and
ordinary transactions in daily life, such as the purchase and sale of a large proportion of movable and consumer goods, are contracts that do not require anything more than the parties’ compliance, without further legal requirements.

4.2. Contractual default

A **contractual default** occurs where one of the parties fails to perform or does not adequately carry out his obligation. The debtor who fails to comply with the obligation becomes **liable for the damages caused to the creditor**.

The **default can be:**

- **definitive**, where it is impossible to comply with the obligation;
- **delayed** (default interest), when compliance is late, but it is still possible to fulfil it;
- **defective**, when not in accordance with the terms stipulated in the contract.

Where there is a contractual default, several reactions are possible:

- **termination of the contract**, on the basis of one party’s default, the other party may terminate, i.e. end the contract. If the party has already fulfilled his part, he may claim a refund.

- **enforcement or judicial recovery**, an enforced recovery is made by means of legal proceedings. If the creditor is already in possession of an enforceable order, he may bring an **enforcement action** right away. This is the appropriate procedural mechanism for the creditor to request the interim measures able to satisfy his claim. The creditor may request payment of a certain amount; the delivery of the certain thing; or the rendering of acts (performance of a specific action or service).

One of the most used interim measures is the attachment, i.e. the seizure of the assets and/or the proceeds of the debtor, in order to pay the creditors.

In the enforcement action, the role of the **Enforcement Agents**, professionals responsible for the practical recovery and payment arrangements to creditors, must be highlighted.
However, if the creditor is not yet in possession of an enforceable order, he may resort to the courts to obtain it. The appropriate action in this case is the declarative action, through which the court recognises the claim. The judgment handed down in this case takes the form of an enforceable order.

It is even possible to obtain an enforceable order through an **order for payment procedure**, which allows a creditor of a debt to obtain an enforceable order, in an easier and faster manner, without resorting to court.

This procedure can only be used where a debt of 15,000 € or less is at stake or if it is a debt resulting from a commercial transaction, provided it does not result from a consumer contract. The application for a payment order is electronically processed at the **National Payment Orders Office**. However, the application for a payment order may be submitted, on paper or in computer files, anywhere in the country, before any competent court. In these cases, these courts refer the application, electronically, to the National Payment Orders Office. Once the creditor’s application for a payment order is submitted, the debtor shall be notified of this application and, if he does not object, the enforceable order shall be issued. If he objects, the case is referred to court for decision.

- **the resort to alternative dispute resolution means is always possible.** Many contracts already provide the resolution of disputes to be made in this way. Nevertheless, even if it is not stipulated in the contract, or in the cases where the contract has not taken a written form, resorting to these means is also possible.

- **compensation for default of contract.** The creditor is, as a rule, entitled to compensation for the debtor’s default, but for this to happen, the default has to cause damage or loss to the creditor and the latter has to be able to prove it.

There are also contracts, which already include a **penalty clause**, i.e. contracts where a specific liability regime for default is already established, which may include specific compensation.

In order to activate the compensation, the debtor must be contacted, but if no immediate agreement is reached, the **resort to the courts or to other alternative dispute resolution means is possible.**
4.3. Insolvency, special procedure for payment agreement or special revitalization procedure

A number of circumstances may determine the impossibility of paying all the obligations entered into. In this case, the insolvency, of a natural person or of a company, is possible.

Nonetheless, where a natural or non-profit legal person is in a difficult economic situation and faces imminent insolvency, i.e. where the impossibility of payment is not yet absolute, but there are serious difficulties in complying with the obligations entered into, resort to the Special Procedure for Payment Agreement (PEAP) is possible. In the case of legal persons, the Special Revitalisation Procedure (PER) may be used in the same circumstances.

These are judicial proceedings, which start with the lodging of an application to the court, signed by the debtor and by at least one of his creditors, with a view to promoting the negotiation with all the creditors and the subsequent approval of a payment agreement.

PER is a special procedure, set up by the Insolvency and Company Rescue Code (CIRE). It is designed to enable any debtor who is in a proven difficult economic situation or who faces an imminent insolvency, but still likely to recover, to enter into negotiations with his creditors in order to conclude with them an agreement towards his economic revitalisation, thus enabling him to remain active in the commercial field. For this purpose, it is in a difficult economic situation the debtor that faces serious difficulties in fulfilling, in a timely manner, his obligations, in particular because he has lack of liquidity or because he is unable to obtain credit. It is in an imminent insolvent situation, the debtor that expects not being able to continue to fulfil his obligations, in a timely manner.

Information on the special revitalisation procedures, special procedures for payment agreement and insolvency procedures can be found, free of charge, on the Citius portal at citius.mj.pt.
5. WORK CONTRACT AND LABOUR RULES

5.1. General Rules

Under Portuguese law, a work contract is a contract whereby a natural person agrees, by way of a remuneration, to work for another person or for others within the framework of the organisation and under their authority—Article 11 of the Labour Code (CT).

A work contract differs from other types of contract, in particular the service contract, where one of the parties agrees to provide the other a specific work, resulting from his intellectual or manual work, with or without remuneration (Article 1154 of the Civil Code). In fact:

a) On the one hand, while the work contract is characterised by the provision of an activity carried out on a subordinate basis, in the service contract one of the parties undertakes to provide the other a specific work;

b) On the other hand, whereas the work contract is a contract in which there is always a remuneration, in the service contract, there may be payment or not.

5.2. Types of working contracts

The Portuguese law, starting with the Constitution, enshrines a number of workers’ rights, including the principle of job security and of dismissal without fair cause or for political or ideological reasons (Article 53 of the Constitution). This principle covers, in particular, all the situations that result in precarious employment relationships. Hence, in the light of the Portuguese legal order, an open-ended work contract is the rule and a non-permanent work contract is the exception.

It is therefore appropriate to look at the following ways:

a) An open-ended work contract is a legal, bilateral act, whereby a natural person undertakes, against payment of a remuneration, to carry out his activity under the authority and direction of another person,
usually in a productive organisation, without any limitation on the duration of the employment relationship (Article 11 of CT);

b) By contrast, in the fixed-term work contract, a time-period for the duration of the contract is set, complying this contract with a number of special rules, such as:

i) The existence of a ground of justification, in particular, the temporary need of the company, and the period strictly necessary to meet such need (Article 140 of CT);

ii) Conditional to a written form (Article 141 of CT) — thus making an exception to the general rule that the work contract is not subject to any special form (Article 110 of CT), a rule that applies to the open-ended work contract.

5.3. Work contract with a special regime: the domestic work contract

In addition to this classification, it should be referred that Portuguese law provides for some types of special regime working contracts, to which the general rules of the Labour Code that are compatible with their specific nature apply (article 9 of the CT).

In this scope, it stands out, for its practical relevance, the domestic service contract, governed by Decree-Law 235/92, of 24 October. In this type of contract, a person is obliged, through remuneration, to provide others, on a regular basis, under their direction and authority, activities designed to meet the specific needs of a household, or similar, and of its members (article 2):

a) Preparation of meals;

b) Washing and treatment of clothing;

c) Cleaning and housekeeping;

d) Surveillance and care of children, the elderly and the sick;

e) Treatment of domestic animals;

f) Execution of gardening services;
g) Execution of sewing services;

h) Coordination and supervision of tasks of the type above mentioned.

Only a person who has reached the age of 16 may provide domestic service. The employer shall notify the employment of a person under 18, within 90 days, to the Authority for the Working Conditions (Article 4).

The domestic service contract is not subject to any special form, except if it is during a certain period (Article 3), as is the case, for instance, when the duration of the contract is fixed.

5.4. Conditions for the conclusion of a work contract with a foreign worker or a stateless person

Portuguese law lays down the rule that a foreign or stateless worker who is allowed to pursue a subordinate professional activity in Portuguese territory enjoys the same rights and is subject to the same obligations as the Portuguese worker (Article 4 CT).

The form and content of the work contract with a foreign or stateless worker has some specific features. However, they do not apply to work contracts concluded with nationals of any Member State of the European Economic Area or of another State establishing equal treatment with nationals as regards freedom to pursue a trade or profession (Article 5 of CT). Thus, in such cases, the work contract follows the same rules as the work contract with a Portuguese worker.

In all other cases, the work contract with foreign or stateless workers (Article 5 of CT):

a) Shall be drawn up in writing;

b) Shall contain, without prejudice to other requirements when it is a fixed-term work contract; the identification, the signature and domicile or registered office of the parties concerned; the reference to the working visa or residence permit or a certificate allowing the worker to remain in Portuguese territory; the employer’s activity; the activity contracted and the remuneration of the worker; the working place and normal period of work; the value, frequency and form of payment of the remuneration; the dates of the conclusion of the contract and the beginning of the activity.
c) Shall be drawn up in duplicate, and the employer shall give one of the copies to the employee. The copy of the contract that stays with the employer has to have the documents confirming that all the legal obligations related to the entry and stay or residence of the foreign national or stateless person in Portugal have been complied with;

d) Before being executed, it shall have to be communicated to the Authority for the Working Conditions by means of an electronic form, and the termination thereof shall be communicated within 15 days after taking place.
6. TRADE RELATIONS AND COMPLIANCE

6.1. Personal data protection

The protection of personal data is a fundamental right enshrined in the Charter of Fundamental Rights of the European Union (Article 8) and in the Constitution of the Republic (Article 35). To protect this fundamental right, Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, which repeals Directive 95/46/EC (General Data Protection Regulation — GDPR), has been adopted. It applies to the processing of personal data wholly or partly by automated means and to the processing other than by automated means of personal data which form part of a filing system or are intended to form part of a filing system (article 2).

GDPR applies to the processing of personal data in the context of the activities of an establishment of a controller or a processor in the Union, regardless of whether the processing takes place in the Union or not. It also applies to the processing of personal data of data subjects who are in the Union by a controller or processor not established in the Union, where the processing activities are related to the offering of goods or services or to the monitoring of their behaviour (Article 3).

**Personal data** means any information relating to an identified or identifiable natural person who is the data subject. An identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identifier, such as the name, the identification number or any particular characteristics. Processing means any operation or set of operations performed on personal data, from their collection up to their erasure or deletion, organisation, consultation, use and interconnection (Article 4).

There are several **principles that underpin GDPR**: lawfulness and transparency, purpose limitation, data minimisation and accuracy, storage limitation, integrity and confidentiality as well as accountability (Article 5). These principles embody obligations for the organisations on the one hand and rights for the data subjects on the other.

For the organisations, which may be responsible for the processing or subcontracted to this purpose, the following general obligations are listed:
• adoption of appropriate technical, organisational and security measures (Articles 24 and 32);

• adoption of protection policies by design and by default (Article 25);

• obligation to demonstrate compliance with obligations (Article 24), in particular to identify the legitimate basis for processing (consent, performance of a contract or pre-contractual negotiations, compliance with a legal obligation, vital interests, public interest, or exercise of official authority or legitimate interests — see Article 6);

• reply to the data subjects’ requests (Article 12).

On its turn, there are special obligations, which target only certain organisations or which only apply in certain situations:

• records of processing activities (Article 30);

• designation of the data protection officer (Article 37);

• prior data protection impact assessment (Article 35);

• notification/communication of personal data breaches (Articles 33 and 34).

GDPR, bearing in mind the information control on each of us, lists the following general rights:

• information (Articles 13 and 14);

• access (Article 15);

• rectification and data completing (Article 16);

• lodge a complaint with a supervisory authority (Article 77);

• effective judicial remedy and right to compensation (Articles 78, 79 and 82);

• representation by a non-profit association (Article 80).

The listed rights are general because they apply to everyone and in all processing situations. From these we may distinguish the special rights, which may be subject to exceptions in certain processing situations, such as:
• erasure or “right to be forgotten” (Article 17);

• restriction of processing (Article 18);

• data portability (Article 20);

• objection (Article 21);

• Not to be subject to a decision based solely on automated processing, including profiling, which produces legal effects (Article 22).

In Portugal, the supervisory authority is the National Commission for Data Protection (CNPD), which is responsible for monitoring the application of GDPR.

6.2. Consumer’s rights

Consumer law covers rules of several branches of law. They have in common the fact that they seek the protection of the consumers, given the imbalance that it is likely to exist when they contract a professional.

The general principles of the Portuguese consumer law are laid down in the Consumer Protection Law (Law 24/96, of 31 July). According to this law, the consumer is a person to whom goods, services or rights, for non-professional use, are provided by a professional in the course of his business (although it should be borne in mind that in the context of other legal diplomas the Portuguese law recognises other consumer definitions). The law grants the consumers certain rights. They include:

Right to goods and services of quality. Goods and services for consumption must be suitable for the purposes for which they are designed, and shall be capable of producing the effects conferred upon them in accordance with the rules laid down by law or, in the absence of such rules, in an appropriate manner to meet the legitimate expectations of the consumer.

Right to health protection and safety. The supply of goods or services, which under normal conditions of use, entail risks incompatible with their use, and not acceptable under a high level of health protection and physical safety of persons, is prohibited.

Right to information. The supplier of goods or services shall, both at the negotiation and contracting stage, inform the consumer, in a clear, objective and appropriate manner, unless this information is clear and obvious from the context, the following:
(i) the main characteristics of the goods or services;

(ii) the identity of the supplier of the goods or services;

(iii) the total price of the goods or services;

(iv) the duration of the contract;

(v) the existence of a guarantee of conformity of the goods, with an indication of the deadline, and, where appropriate, the existence of after-sales services and commercial guarantees, with a description of their terms and conditions.

A contract with General Contractual Clauses, is a contract where one of the parties — whether or not it is a consumer — concludes a contract without being able to discuss or negotiate changes to the transaction submitted by the counterparty, and merely accedes to the terms that the other party has unilaterally defined. In such cases, the freedom of contract is, in practice, confined to the acceptance or rejection of the transaction. In order to protect the adhering party, the company that proposes the contract is required, by law, to communicate to the adhering party, in an appropriate and effective manner, the clauses contained in the negotiating model, and to clarify those terms that may not be clear. For the same reason, the law prohibits, in all cases or depending on the specific transaction, the insertion of certain contractual clauses.

DGPJ keeps online an updated register of the contractual clauses declared null and void by the courts, at dgpj.justica.gov.pt.

In the case of contracts for the purchase or sale of consumer goods (or other onerous contracts for the transfer of goods, such as the exchange), and if the purchase is not in conformity with the contract, the consumer is entitled to have the goods repaired or replaced free of charge, to a reduction in the price or to terminate the contract. In parallel with these rights, the consumer may require the supplier to pay compensation for the damage caused by the non-conformity of the goods in general terms. This regime applies to tangible, mobile and immovable property, including second-hand goods.

The consumer may freely choose any of the rights granted to him. Only when it is impossible for the supplier to fulfil one of the obligations arising from the option chosen (imagine that the supplier handed over to the consumer, by mistake, a good different from the one he has purchased; in this case reparation is impossible), or if the consumer’s choice constitutes an abuse of rights.
The supplier shall be held responsible for the lack of conformity of the goods that becomes apparent within two or five years from the date of delivery, depending on whether they are movable or immovable respectively. The law assumes that the lack of conformity arising within that period already existed at the time of delivery. Consequently, the consumer does not have to prove that the defect existed at that time; only that it appeared within the prescribed period.

However, in order to exercise the rights conferred on him by law, the consumer shall inform the supplier of the lack of conformity which he has identified within two months in the case of movable property, or within one year in the case of immovable property. Once the lack of conformity has been reported, the consumer has one year to bring legal proceedings should the supplier not comply with them on a voluntary basis.

In the case of distance contracts (e.g. via the internet), and off-premises contracts (e.g. when the supplier goes to the debtor’s residence), situations in which the consumer is deemed to be in a situation of particular fragility, the supplier has the duty to provide the consumer with a number of mandatory elements related, for instance, to his identity, the good or service to be acquired, the clauses of the contract or after-sales service conditions.

When one of these contracts is concluded, the consumer is granted, by law, the right to regret, that is the right to freely terminate the contract—by means of any unequivocal statement — within 14 days of the delivery of the goods or of the conclusion of the contract in the case of service contracts. (it should be noted that there are contracts to which the right to regret does not apply; the list of exceptions may be found in Decree-Law 24/2014 of 14 February 2007). The supplier shall inform the consumer about this right before the conclusion of the contract. If he does not do so, the 14-day time limit is increased to 12 months and 14 days.

Are deemed essential public services, given the general interest they have, the following services: the provision of water, electrical energy, natural gas and liquefied petroleum gases, electronic communications service, postal services, wastewater collection and treatment, and the municipal waste management.

Considering that they are essential to the user (the regime does not only concern consumers within the meaning of the Law on Consumer Protection), the provision of these services may not be suspended without adequate notice, unless unforeseeable circumstances or of force majeure apply. Even where the user has not performed the payment to which he is contractually bound, the suspension may not take place before the user has been notified of the suspension, in writing, with at least 20 days in advance.
Likewise, in order to protect the user, by preventing debts from accumulating, the right of the essential public service provider to receive the payment shall expire within six months from the date of the provision.

6.3. Relationship with public and private entities — prevention of corruption risks

Corruption is a serious obstacle to the normal functioning of the institutions.

The Portuguese Criminal Code provides for corruption offences in the exercise of public office. Other corruption phenomena, such as the corruption in the private sector, corruption in international business transactions, corruption of political office holders, voter’s corruption and sport corruption are also envisaged in sundry legislation.

Corruption offences imply a combination of:

- an action or omission;
- the commission of a lawful or unlawful act;
- the consideration of an undue advantage;
- for himself or a third party.

Corruption may be active or passive depending on whether the action or omission is committed by the person who corrupts or is corrupted. For instance, when someone gives money in exchange for a favour, he incurs in an active corruption offence. When someone receives money to perform or omit certain acts, he incurs in a passive corruption offence.

Active public corruption occurs when a person either directly or through another person, for himself or for another person, makes an offer, a promise or gives an advantage of any kind, to a public official to perform or refrain from performing a certain act. Passive public corruption occurs when a public official requests, accepts or receives, either directly or through another person, for himself or for another person, an offer, promise or an advantage of any kind to perform or refrain from performing a certain act.

Corruption with a view to commit a lawful act is the act or omission that is not contrary to the duties and obligations of the corrupted party; if there is a breach of these duties and obligations, then it is corruption with a view to commit an unlawful act.
The decisive factor in the corruption offence is the link between what is promised, or delivered and the objective to be achieved, namely the adoption of a specific conduct. There is corruption, even if the act (or its absence), whether or not legitimate in the context of the duties performed by the person concerned, has not taken place. Similarly, there is corruption \textit{whatever the nature or value of the advantage}.

It is also considered a situation of corruption when the acts above described occur with a view to obtaining or maintaining a business, a contract or any other undue advantage in \textit{international trade}. In this case, the recipient of the offer or promise may be an official, a national, a foreign or an international organisation, or the holder of a political office, national or foreign, or a third party with the formers’ knowledge.

Corruption also constitutes a criminal offence when it involves a \textit{private sector} official. It may also be active or passive.

Political office holders may also be held responsible for this offence.

The unilateral act of offering, giving, requesting or receiving an advantage is sufficient for corruption to exist.

On the other hand, the mere receiving of an undue advantage, that is, an advantage that does not derive directly and legally from the exercise of the office of a public official may give rise to criminal liability for undue receiving. In this case, the socially appropriate behaviours that conform to the customs are safeguarded.

Corruption is punished in the Portuguese legal system with imprisonment and can be committed both by natural and legal persons.

There are, in the central and local public administration, corruption prevention plans designed to ensure a careful risk management, in particular in the public procurement area.
7. PORTUGUESE JUSTICE SYSTEM

7.1. Framework

The Portuguese Republic is a democratic state based on the rule of law. Everyone is guaranteed access to the law and the courts in order to defend those of his rights and interests that are protected by law, and justice may not be denied to anyone due to lack of sufficient economic means.

Subject to the terms of the law, everyone has the right to legal information and advice, to legal counsel and to be accompanied by a lawyer before any authority.

Everyone has the right to secure a decision in any procedure in which he is intervening, within a reasonable time limit and by means of a fair process.

For the purpose of defending personal rights, freedoms and guarantees and in such a way as to secure effective and timely judicial protection against threats thereto or breaches thereof, the law shall ensure citizens judicial proceedings that are characterised by their swiftness and by the attachment of priority to them.

The Constitution of the Portuguese Republic defines the principles that constitute the basis of the judicial organization and functioning of the courts in Portugal.

The courts are sovereign bodies competent to administer justice in the name of the people. In administering justice, the courts are responsible for ensuring the defence of those citizens’ rights and interests that are protected by law, repressing breaches of democratic legality and deciding conflicts between interests, public and private. In the exercise of their functions, the courts have the right to the assistance of the other authorities.

The Constitution also provides the possibility of non-jurisdictional instruments and forms of settling conflicts. These are embodied in alternative dispute resolution means, available to citizens.
The following are **structural actors** in the system:

**The Judges** - law enforcers by nature, only decide according to the Constitution and the law and are not subject to any orders or instructions, except for the duty to comply with decisions rendered on appeal by the higher courts. They cannot be held responsible for their decisions, save for the exceptions laid down in law.

**The Public Prosecutors’ Office** - is an entity that represents the State, defends the interests laid down by law, participates in the implementation of the criminal policy defined by the sovereign bodies, exercises penal action in accordance with the principle of legality and defends the democratic legality, in accordance with the Constitution, its statutes and the law. It has its own statute and autonomy vis-à-vis other central, regional and local authorities under the law. It is bound to legality and objectivity criteria, being exclusively subjected to the directives, orders and instructions provided for by law.

**The Lawyers** - liberal professionals of the forum responsible for defending the rights, interests or individual guarantees entrusted to them. They have to carry out the specific acts provided for by law, in particular the exercise of their legal mandate and legal advice. In the exercise of their activity, they must act with total independence and technical autonomy and in an exempt and responsible manner, being only bound by the legality criteria and the deontological rules of the profession.

**The Solicitors** - liberal professionals involved in the administration of justice, exercising judicial powers in the cases and within the limits laid down by law. In carrying out their activities, they must act with complete independence and technical autonomy and in an exempt and responsible manner, being only bound by the legality criteria and the deontological rules of the profession.

**The Enforcement Agents** - liberal professionals competent to: ensure due diligence in the enforcement procedure, make in sundry notifications and carry out evictions. To this end, they may determine the location of persons and of the assets belonging to the debtors, seize and attach their assets and sell them, and deliver their proceeds to the creditors. They have exclusive jurisdiction to deal with Extrajudicial Pre-Enforcement Procedures, PEPEX (expeditious procedures submitted by the legal representatives or creditors, with the purpose to establish the location and assets of the debtors against whom there is a valid enforcement title, and promote compensation for such debts).
The courts as sovereign bodies

The Court Officials - professionals who ensure, in the courts’ registry and in the registry of the Public Prosecutors’ Office, the correspondence and the regular processing of the cases, in accordance with the law and under the remit of the respective magistrates.

7.2. Dispute resolution means

7.2.1. State Courts

In Portugal, there are several categories of courts.

The Portuguese Constitution stipulates that, in addition to the Constitutional Court, which is the highest constitutional justice body, and the Court of Auditors, which is the senior body for the scrutiny of the legality of the public expenditure, the Portuguese Judicial Organisation comprises the category of the Law Courts and the category of the Administrative and Tax Courts.

Moreover, the Portuguese Constitution also provides the possibility of creating maritime courts, arbitration tribunals and justices of the peace.

The courts of law are general courts in civil and criminal matters and have jurisdiction in every area that is not allocated to other judicial orders. As they are courts competent to decide most disputes between citizens and/or companies, they have the highest number of cases in Portugal.

The category of the law courts follows a hierarchy. This hierarchy means that, as a rule, decisions of the first instance courts may be appealed to the courts of second instance and from these to the highest jurisdictional court.

At the top of this hierarchy is the Supreme Court of Justice, which, as a rule, hears on appeal the causes whose value exceeds the ceiling set for the Courts of Appeal, currently fixed at 30,000 €. The Supreme Court of Justice has jurisdiction throughout national territory.

Next, the Courts of Appeal, which are, as a rule, the courts of second instance. These courts hear causes whose value exceeds the ceiling set for the first instance courts, currently fixed at 5,000 €.

There are five Courts of Appeal:

- The Court of Appeal of Lisbon;
- The Court of Appeal of Porto;
• The Court of Appeal of Guimarães;
• The Court of Appeal of Coimbra;
• The Court of Appeal of Évora.

The Courts of Appeal are, as a rule, competent in the area of their respective jurisdiction.

Finally, the county courts, which are, as a rule, the courts of first instance. Usually, the county courts have jurisdiction in the area of their respective counties.

To this end, the Portuguese territory is divided into 23 counties. The county courts, in turn, have divisions with general or specialised jurisdiction and with jurisdiction of proximity.

The **specialised jurisdiction** divisions are:

• Central civil;
• Local civil;
• Central criminal;
• Local criminal;
• Local misdemeanour;
• Criminal pre-trial inquiry;
• Family and minors;
• Labour;
• Commerce;
• Enforcement.

There also are courts of specialised jurisdiction and **extended territorial jurisdiction**:

• The industrial property court;
• The court of competition, regulation and supervision;
• The maritime court;
• The court for the enforcement of sentences;
• The central criminal pre-trial inquiry court.

These specialised courts have extended territorial jurisdiction (broader jurisdiction than the county in which they are seated) and only hear cases related to certain matters (irrespective of the applicable form of procedure).

The administrative and tax courts are competent to hear contested actions and appeals on disputes arising from administrative and tax legal relations.

Thus, in most cases, they are courts with jurisdiction to hear the cases that bring citizens and companies against the State and other public entities, such as local authorities, public institutes and professional bodies.

The administrative courts have jurisdiction to hear issues, such as: the annulment or invalidity of administrative acts; the imposition of acts due; declaration of illegality of standards issued under administrative law provisions; compensation for damages caused by legal persons and by senior managers or their employees in public office; consideration of questions concerning the interpretation, validity or performance of contracts; and the obligation of the Administration to provide information, allow for consultation of documents or draw up certificates.

On their turn, the tax courts hear, for example, actions against the liquidation of tax revenue and acts carried out by the competent authority in tax enforcement proceedings; actions challenging decisions imposing fines and ancillary penalties in tax matters; declaration of illegality of regional or local administrative standards issued in tax matters; and the obligation of any tax authority to provide consultation of documents or procedures, to draw up certificates and to provide information.

Just like the category of the law courts, the category of the administrative and tax courts is also organised hierarchically.

Thus, the highest body of this jurisdiction is the Supreme Administrative Court, which has its seat in Lisbon and has jurisdiction throughout Portuguese territory. Its main purpose is to hear appeals against decisions rendered by the Administrative Central Courts.

In turn, the courts of second instance, in the administrative and tax jurisdiction are, as a rule, the Administrative Central Courts, the main function of which is to hear appeals against decisions rendered by the district administrative and the tax courts.
There are currently two Administrative Central Courts: The North Central Administrative Court, and the South Central Administrative Court.

The South Central Administrative Court, which has its seat in Lisbon, exercises its jurisdiction over all the areas of jurisdiction allocated to the District Administrative and Tax Court of Lisbon and to the Administrative and Tax Courts of Almada, Beja, Castelo Branco, Funchal, Leiria, Loulé, Ponta Delgada and Sintra.

The North Central Administrative Court, which has its seat in Porto, exercises its jurisdiction over all the areas of jurisdiction allocated to the Administrative and tax Courts of Aveiro, Braga, Coimbra, Mirandela, Penafile, Porto and Viseu.

Last but not least, the courts of first instance, in the administrative and tax jurisdiction are, as a rule, the district administrative courts and the tax courts. When they operate together, they are called “administrative and tax courts”.

7.2.2. Alternative dispute resolution means

The alternative dispute resolution means are extra-judicial mechanisms close to the citizen, through which disputes can be quickly solved, and where the parties are invited to find a solution to their problem.

The use of these means allows disputes to be solved on the margin of, or complementarily to the courts, in a less bureaucratic manner, with gains in speed, efficiency and at reduced costs. The involvement of the parties allows them to maintain their relationship after the resolution of such dispute.

They include the arbitration, the justices of the peace and the mediation.

Arbitration

Arbitration is one of the alternative dispute resolution means where, by agreement of the parties or by law, depending on whether it is voluntary or necessary, the decision on a certain patrimonial dispute is referred to arbitrators who, even though independent, impartial and particularly qualified persons, are not members of the judiciary.
It is possible to resort to arbitration to:

- solve disputes that have already occurred (by signing an arbitration agreement);
- avoid future disputes (by including an arbitration clause in a contract).

Arbitration may take place in different areas, such as, for instance:

- **arbitration in civil and commercial disputes** – to settle disputes related to property interests and disputes not involving property interests, if the parties enter into an agreement over the disputed right.

- **arbitration of consumer disputes** – to settle disputes between those to whom goods, services or rights for non-professional use are provided by a person who pursues an economic activity aimed at obtaining a benefit;

- **arbitration related to motor vehicles** - to settle disputes arising from issues involving motor vehicles – in particular, the buying and selling of cars and their repair;

- **arbitration in the insurance sector** - to settle disputes related to insurance contracts;

- **arbitration on industrial property, domain names and companies’ names** - to settle disputes in the scope of industrial property, domain names and companies’ names;

- **arbitration on administrative disputes** - to settle disputes related to administrative contracts, non-contractual civil liability, administrative acts, public employment (whenever unavailable rights are not at stake and when they do not arise from a work accident or an occupational disease) and public procurement;

- **arbitration of tax disputes** - to settle disputes related to the declaration on the illegality of acts of tax settlement, of the reverse charge, of the withholding tax and of the payment on account and declaration on the unlawfulness of the taxable amount, where it does not give rise to the settlement of any tax, of the measures to determine the taxable amounts, and of the acts setting the equity values;
• **arbitration on investment** - to settle disputes arising from the interpretation and application of investment contracts.

Arbitration on civil and commercial disputes tends to be confidential.

Anyone who resorts to arbitration may take one of two ways:

The parties may, on their own initiative, choose the arbitrator(s) that shall decide on the dispute(s) and hand down a compulsory decision or, conversely, refer the dispute to arbitration centres, entities set up by law or authorised by the Ministry of Justice, competent to solve certain types of disputes.

Arbitration centres authorised by the Ministry of Justice to provide arbitration in Portugal at [dgpj.justica.gov.pt](http://dgpj.justica.gov.pt).

In addition to information, the arbitration centres offer the citizens and companies the chance to settle the disputes through mediation and conciliation and, if the parties do not reach an agreement by one of these channels, arbitration.

The arbitration centres may have general or specialised jurisdiction in certain areas and they operate according to their territorial jurisdiction (geographical area), according to the subject matter (type of disputes they can solve) and, in certain cases, according to the value (limit of the value of the disputes).

The Ministry of Justice supports, technically and financially through DGPJ, certain arbitration centres in areas of sensitive social importance and given the public interest pursued.

The advantages of resorting to an arbitration centre are the following:

• easiness, because the process is less bureaucratic;

• speed, because given the simplicity of the procedure, it is possible to solve the dispute in the interests of the parties, in a timely manner;

• security, to the extent that the decision of the arbitral tribunal is equivalent to that of a court decision. In case of one of the parties’ default, the other may resort to a 1st instance court to enforce the decision;

• reduced cost.

Location of the arbitration centres supported by the Ministry of Justice, and more detailed information at [dgpj.justica.gov.pt](http://dgpj.justica.gov.pt).
Mediation

Mediation is one of the alternative or complementary dispute resolution means to the courts. The disputes are, as a rule, settled out of court.

Mediation is informal, confidential and voluntary, and the responsibility for obtaining the decision lies with the parties themselves.

In this scope, the parties, assisted by an impartial third party (the mediator), shall endeavour to reach an agreement and solve the dispute between them.

Unlike a judge or an arbitrator, the mediator does not decide on the dispute, but guides the parties and helps them establish the necessary communication and exchange points of view so that they may find by themselves the basis for the agreement that will put an end to the conflict.

Mediation, by allowing relations between litigants to be maintained is, for example, particularly adequate for the resolution of family, labour and neighbourhood disputes.

In the context of the companies’ life, the following Mediation should be highlighted:

• on **labour disputes, especially those arising from work contracts**, which do not conflict with non-available rights or with work accidents. For disputes relating to promotion, change of working place, change of the working time, change of professional category, holidays, vocational training, safety and health at work, the status of the worker-student, etc., you may use the System on Labour Mediation (SML) at [dgpj.justica.gov.pt](http://dgpj.justica.gov.pt);

• on **disputes in civil and commercial matters of a patrimonial nature, which can be subject to a transaction**, you may resort to the public mediation services available at the Justices of the Peace. You can find a Justice of the Peace at [dgpj.justica.gov.pt](http://dgpj.justica.gov.pt);

• in any event, you may also resort to any private mediator. See the **list of private mediators** organised by the Ministry of Justice at [dgpj.justica.gov.pt](http://dgpj.justica.gov.pt).

The Ministry of Justice, through DGPJ, is responsible for the management of the public systems of mediation. Further information is available at [dgpj.justica.gov.pt](http://dgpj.justica.gov.pt).
Justices of the Peace

The Justices of the Peace are courts with their own functional and organisational characteristics, where the proceedings privilege the simplicity, orality, speed and informality, as well as the fair composition of disputes by agreement between the parties.

The Justices of the Peace are competent to hear and decide on common civil causes, whose value does not exceed 15,000 € (excluding those involving Family Law matters, Succession and Labour Law).

The proceedings that may be brought before the Justices of the Peace, pursuant to article 9 of the Law 78/2001, of 13 July, as amended by Law 54/2013 of 31 July, are the following:

- actions related to compliance of obligations, other than those that have, as object, a financial obligation and which concern adherence contracts (example: contracts, unilateral transactions, business management, etc.);

- actions related to the delivery of movable things (example: actions for the service of documents);

- actions resulting from the rights and duties of the co-owners, whenever the respective Assembly has not acted on the obligation to undertake arbitration for the settlement of disputes between co-owners or between co-owners and the administrator (example: payment of roof repairs, general water facilities, lifts);

- actions for the settlement of disputes between property owners related to provisional forced passenger-ways, natural drainage of water, defensive water works, communion of ditches and live hedges; opening of windows, doors, balconies and similar works; water dripping, planting of trees and bushes, building of walls and partitions;

- claims, possession actions, usucapio, accession and actions for division of common property;

- actions related to the right of use and administration of joint ownership, surface area, usufruct, use and housing, and the right in rem in periodic housing (example: action for division of common property);

- actions related to urban rent, except for eviction (example: action for lack of payment of rent);
• actions related to contractual and non-contractual civil liability (example: actions resulting from road traffic accidents, actions resulting from damage caused by things, animals or activities);

• actions related to contractual default, except work contract and rural leases;

• actions related to the general warranty of obligations (example: action of invalidity, actio pauliana, etc.);

• actions related to civil compensation claims, where no criminal claim has been submitted or after its discontinuance, stemming from the following offences: bodily harm, negligent bodily harm, libel, slander, theft, damage, change of landmarks, fraud to obtain food, beverages or services.

Although representation by a lawyer is not compulsory in proceedings brought before the justices of the peace, the parties may, if they so wish, be accompanied by a lawyer, trainee lawyer or solicitor. However, to have a lawyer is always compulsory in the cases specifically provided for by law (e.g. when one of the parties is illiterate or unaware of the Portuguese language) and when an appeal is lodged against the decision rendered.

The proceedings at the Justices of Peace begin with an application at the registry office of the Justice of the Peace, either orally or in writing, and may be filed by the applicant himself.

Once the defendant is notified, he is called upon to settle the dispute through mediation, which is preceded by a pre-mediation session, to be held at all times, provided that neither party does not rule out this possibility.

If the proceeding is solved through mediation, it ends with the approval of the agreement by the Justice of the Peace, which is equivalent to a court decision.

If the proceeding is not solved through mediation, it shall be concluded with the intervention of the justice of the peace through conciliation, at a time prior to the decision or sentence, at a trial hearing.

The decisions handed down by the Justices of the Peace are equivalent to those of a 1st instance court and may be appealed against in proceedings whose value exceeds half of the value of the ceiling set for the first instance court (i.e. from 2500 €).
As regards the costs to the parties, the use of the Justices of the Peace is subject to a fee of 70 €, to be borne by the unsuccessful party. However, and depending on the decision, the justice of the peace may decide to split this amount between the applicant and the defendant.

If an agreement is reached through mediation, the amount to be paid is 50 €, divided by both parties.

In short, the use of the Justices of the Peace offers the parties the following advantages:

- **informality and simplicity** of the proceedings are favoured;
- dispute **resolution by agreement between the parties** is facilitated through mediation and conciliation;
- solves disputes closer to the citizens and companies, as litigants are actively involved in the proceedings, thereby contributing to the solution of their problem;
- the **proceeding is fast** (has an average duration of 3 months) and has a **reduced cost**.


### 7.2.3. Average time of the clearance rate

The average time of the clearance rate at the first instance courts, by procedural area, can be observed in the following table:
7.2.4. How much does it cost to use the justice system?

Judicial proceedings have a cost. Procedural costs are the amount paid by the justice service that the courts perform. All the citizens may resort to justice, but this entails the payment of a set of fees — the court fees (value to be paid for the procedural impulse), the charges (expenses) and the costs of the party (costs incurred in the course of the proceedings). These values must be paid whenever the citizen or company is not entitled to legal aid.

These values can be calculated, by procedural type, at justica.gov.pt in the court fees simulator.

7.2.5. When is representation by a lawyer required

Any person has the right to be accompanied by a lawyer before any authority. Legal representation corresponds to the exercise of powers of representation by legal professionals (lawyers, trainee lawyers or solicitors) in the technical conduct of the proceedings assigned to them by way of a legal mandate. Even though the appointment of a legal representative is always allowed, the law requires on several occasions that a lawyer should assist a party to an action. This requirement preserves the proper administration of justice and protects the parties’ own interests by ensuring that they are given advice by a professional and that they are not harmed for not knowing the procedural formalities. These cases vary according to the nature of the case. Therefore:

- in the **civil procedure**, the requirements vary between the declarative and the enforcement actions. In declarative actions, legal representation is mandatory:

  (i) in causes with a value of more than 5,000 €;

  (ii) in causes where an ordinary appeal is always admissible;

  (iii) in the appeals and in the causes lodged at the appeal courts.

In the **enforcement actions**, legal representation is required for enforcements of more than 30,000 € or more than 5,000 €, if the enforcement action follows the terms of the declarative action. These rules also apply to the **administrative procedure**.
• in the **justices of the peace**, legal representation is compulsory when the party is blind, deaf, mute, illiterate, and unaware of the Portuguese language or, if for any other reason, is in a position of manifest inferiority. It is also compulsory at the appeal stage.

• in the **criminal procedure**, the defendant shall be assisted by a lawyer:

  (i) in the questioning of the detained or arrested defendant;

  (ii) in the questioning by a judicial authority;

  (iii) in the pre-trial inquiry and at the hearing;

  (iv) in any procedural act, other than the constitution of defendant, whenever the defendant is blind, deaf, mute, illiterate and unaware of the Portuguese language, under the age of 21, or if questions are raised on his lack of criminal liability or diminished liability;

  (v) in ordinary or extraordinary appeals;

  (vi) when statements are made for future memory;

  (vii) at the trial hearing held in the absence of the defendant;

  (viii) in all other cases provided for by law.

In most cases, the represented person **chooses the legal representative personally and freely**, but there are exceptions. Thus, for example, when the represented person benefits from legal aid, through the lawyer’s appointment model, the Bar appoints the legal representative, after receiving the person’s request.

Even when legal representation is voluntary or compulsory, only Law graduates enrolled in the Bar and the solicitors enrolled in the Chamber of Solicitors and Enforcement Agents may exercise the legal mandate, though the latter may only do so before the first instance courts in the cases where there is no obligation to appoint a lawyer.

A **legal mandate** may be granted in any of the following ways:

• in sundry public instrument;

• private document;

• oral statement on any due diligence carried out in the procedure.
In the first two cases, the legal mandate is given by means of a document called a **proxy**, which is a unilateral act, whereby the person gives the legal representative the power of attorney.

The legal mandate confers on the legal **representative powers of attorney in all procedural acts**, even before the courts of appeal, with the exception of those, which, being personal acts, extinguish in whole or in part the proceedings (such as the confession and the withdrawal of the application, discontinuance of the proceedings and the transaction). The legal representative may only perform the latter where special powers have been conferred on him.

### 7.3. Legal aid

Justice cannot be denied due to lack of economic means: everyone should have access to the courts for the defence of their rights. This is a right provided for in the European Convention on Human Rights, in the Charter of Fundamental Rights of the European Union and in the Constitution of the Portuguese Republic. The current legal regime on the access to law — which has the purpose to ensure that no one is deprived, by reason of his social or cultural status, or due to lack of economic means, of knowing, exercising or defending his rights — encompasses two methods:

- **Legal information**, through actions designed to make the law and the legal order known;

- **Legal protection**, granted to specific or probable legal issues or causes in which the user has an interest of his own, concerning rights directly harmed or likely to be harmed.

**Legal protection**, to which natural and legal persons are entitled, covers two distinct figures, the **legal advice** and **the legal aid**, and can be granted to nationals and citizens of the European Union and to foreigners and stateless persons residing in a Member State of the European Union that can prove that they are in a situation of economic insufficiency. In the case of foreigners without a valid residence permit in a Member State of the European Union, the right to legal protection is only recognised to the extent that the same is granted to the Portuguese people by the laws of their respective States.

This regime is based on a triangular relationship. The decision to grant legal protection is entrusted to the **Social Security Institute**, which assesses the economic conditions on which its attribution to the citizens depends, to the **Bar**, which appoints the Lawyers, and to the **State**, that
is responsible for financing the regime, through the budget managed by the Ministry of Justice.

The assessment of the economic insufficiency of natural persons is made taking into account the average monthly income of the household, calculated in accordance with the arithmetical formulae set out in the Annex to the Law on the Access to Law and to the Courts. All the household income, including pensions and housing support, are considered in this assessment. Given the complexity of these mathematical operations, the Social Security has available online, without the user having to identify himself, a simulator to determine whether or not the applicant is entitled to legal protection at seg-social.pt.

If the economic situation of the beneficiary or of his household changes in such a way that the support can be dispensed with, the legal protection shall be withdrawn.

Even though the Law on the Access to Law and to the Courts refuses to grant legal protection to for-profit legal persons, the Constitutional Court’s judgment 242/2018, of 07 June, declared the unconstitutionality of this provision, with general binding force. Therefore, for-profit legal persons may be entitled to legal protection in the form of legal aid if it is found that they are in a situation of economic insufficiency.

Legal advice is the technical clarification of the law applicable to specific issues or cases and may be provided in legal advisory offices or in law firms that adhere to the system on the access to law. It must refer to the interests or rights of the person requesting it, be they interests or rights that have been harmed or that are likely to be harmed.

Legal advice also includes the performance of out-of-court due diligences, which derive directly from the legal advice provided and deemed essential to the clarification of the issue referred.

**Legal aid**, which has the purpose to ensure that those who do not have sufficient economic means to bear the burden of a legal procedure are protected, comprises the following:

- exemption from court fees and other charges related to the procedure;
- appointment of a lawyer and payment of his fees;
- payment of the public defence counsel fees;
- payment of the court fees and other related charges, in instalments;
- appointment of a lawyer and payment, in instalments, of his fees;
• payment in instalments of the public defence counsel fees;

• assignment of an enforcement agent.

Legal aid may be requested for cases that run before any court (regardless of the form of procedure), a justice of the peace or an alternative dispute resolution structure, for cases related to administrative infringements, as well as for a number of proceedings in the Civil Registry.

Legal aid may be requested, free of charge, at any front-office of the social security service, by electronic mail, by fax, in person or by post, and must be accompanied by the documents confirming the economic situation of the applicant.
8. CIVIL AND CRIMINAL JUSTICE OVERVIEWS

8.1. Civil Justice overview (1st instance) – 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Clearance Rate</th>
<th>Disposition Time</th>
<th>Average Duration of Completed Cases/Procedures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declarative actions</td>
<td>101.4%</td>
<td>311 days</td>
<td>11 months</td>
</tr>
<tr>
<td>Payment orders</td>
<td>93.4%</td>
<td>134 days</td>
<td>3 months</td>
</tr>
<tr>
<td>Enforcement actions</td>
<td>174.9%</td>
<td>989 days</td>
<td>53 months***</td>
</tr>
</tbody>
</table>

*Ratio of the total volume of completed cases to the total volume of new cases. ** Time it would take to complete all pending cases. *** Average duration not having into consideration the provisions of article 551, paragraph 5, of the Civil Procedure Code.
### CIVIL JUSTICE OVERVIEW (1st instance)

<table>
<thead>
<tr>
<th>Action Type</th>
<th>Clearance Rate</th>
<th>Disposition Time</th>
<th>Average Duration of Completed Cases/Procedures</th>
</tr>
</thead>
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<tr>
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</tbody>
</table>

*Ratio of the total volume of completed cases to the total volume of new cases.

**Time it would take to complete all pending cases.

***Average duration not having into consideration the provisions of article 551, paragraph 5, of the Civil Procedure Code.

#### New cases 2013-2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Volume (Cases)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>New civil cases</td>
<td>179,918</td>
<td>64.5%</td>
</tr>
<tr>
<td>New labour cases</td>
<td>48,498</td>
<td>17.4%</td>
</tr>
<tr>
<td>New tutelary cases</td>
<td>50,653</td>
<td>18.1%</td>
</tr>
<tr>
<td>New payment orders</td>
<td>142,588</td>
<td></td>
</tr>
</tbody>
</table>

#### Completed cases 2013-2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Volume (Cases)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed cases</td>
<td>288,443</td>
<td></td>
</tr>
<tr>
<td>Completed payment orders</td>
<td>133,113</td>
<td></td>
</tr>
<tr>
<td>Court judgement</td>
<td>213,335</td>
<td>74.0%</td>
</tr>
<tr>
<td>No need to adjudicate/loss of interest</td>
<td>42,181</td>
<td>14.6%</td>
</tr>
<tr>
<td>Other reasons</td>
<td>32,927</td>
<td>11.4%</td>
</tr>
<tr>
<td>Apposition of enforcement formula</td>
<td>105,028</td>
<td>78.9%</td>
</tr>
<tr>
<td>Waiver</td>
<td>4,219</td>
<td>3.2%</td>
</tr>
<tr>
<td>Other reasons</td>
<td>23,866</td>
<td>17.9%</td>
</tr>
</tbody>
</table>

#### New enforcement actions 2013-2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Volume (Cases)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>New enforcement actions</td>
<td>118,839</td>
<td></td>
</tr>
<tr>
<td>Completed enforcement actions</td>
<td>213,004</td>
<td></td>
</tr>
</tbody>
</table>

#### Completed enforcement actions 2013-2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Volume (Cases)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>End of procedure due to insolvency</td>
<td>11,330</td>
<td>5.0%</td>
</tr>
<tr>
<td>Total/partial payment</td>
<td>92,169</td>
<td>41.0%</td>
</tr>
<tr>
<td>Non-payment</td>
<td>62,777</td>
<td>27.9%</td>
</tr>
<tr>
<td>Other reasons</td>
<td>46,728</td>
<td>26.1%</td>
</tr>
</tbody>
</table>

#### Average duration of completed cases/procedures (in months), 2013-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>49</td>
</tr>
<tr>
<td>2014</td>
<td>46</td>
</tr>
<tr>
<td>2015</td>
<td>46</td>
</tr>
<tr>
<td>2016</td>
<td>46</td>
</tr>
<tr>
<td>2017</td>
<td>46</td>
</tr>
<tr>
<td>2018</td>
<td>50</td>
</tr>
</tbody>
</table>

#### Term modality

- End of procedure due to insolvency (11,330; 5.0%)
- Total/partial payment (92,169; 41.0%)
- Non-payment (62,777; 27.9%; 56,650 for lack or insufficiency of assets; 25.2%)
- Other reasons (46,728; 26.1%)
8.2. Criminal Justice overview (1st instance) – 2018

Flagrante delicto

Incidents registered by the police (333,223) + Public prosecution service

New criminal inquiries (435,886)
Completed criminal inquiries (408,447)
No charge (315,945; 77.4%)
Charges (47,133; 11.5%)
Withdrawal (27,701; 6.8%)
Completed upon compliance of injunction (14,555; 3.6%)
Waiver of the sentence (289; 0.07%)
Other reasons (2,824; 0.7%)

New juvenile inquiries (5,369)

Completed juvenile inquiries

Opening of the judicial phase 23%
Injunction 9%
Withdrawal 1%
No charge 67%

Clearance

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criminal inquiries</td>
<td>100.0%</td>
</tr>
<tr>
<td>Trial stage</td>
<td>103.0%</td>
</tr>
</tbody>
</table>

*Ratio of the total volume of completed cases to the total volume of incoming cases.
**Time it would take to complete all pending cases.
In 2018, Flagrante delicto incidents registered by the police amounted to 333,223. The public prosecution service handled new criminal inquiries totaling 435,886. Among these, 408,447 inquiries were completed. New juvenile inquiries were 5,369, of which 315,945 (77.4%) were not charged.

Of the cases that went to trial, 48,203 (66.4%) were convicted. Convicted persons were imprisoned in 3,849 cases (12.5%), in-house confinement in 429 cases (0.9%), suspended imprisonment in 11,542 cases (23.9%), and fined in 30,248 cases (62.8%).

The clearance rate for criminal inquiries was 100.0%, and the time to dispose of cases was on average 159 days (5 months). For trials, the clearance rate was 103.0%, and the time to dispose of cases was on average 228 days (9 months).

The average duration of completed cases in 2013-2017 is as follows:

- Criminal inquiries:
  - 2013: 9 months
  - 2014: 8 months
  - 2015: 9 months
  - 2016: 9 months
  - 2017: 8 months
  - 2018: 9 months

- Trial stage:
  - 2013: 5 months
  - 2014: 6 months
  - 2015: 5 months
  - 2016: 5 months
  - 2017: 5 months
  - 2018: 5 months

Coercive measures include:
- Pre-trial detention: 3.8%
- Periodic presentation to an authority: 29.4%
- Prohibition of contacts/to remain in places: 31.6%
- Electronic monitoring: 4.4%
- Other: 29.4%

For more detailed information, please refer to the infographic and accompanying text.
USEFUL LINKS

> CNPD – National Data Protection Commission
cnpd.pt

> Council for Prevention of Corruption
cpc.tcontas.pt

> Central Register Office of the Institute of Registries and Notary
irn.mj.pt

> INPI – Portuguese Institute of Industrial Property
inpi.justica.gov.pt

> Portuguese Bar Association
portal.oa.pt

> Chamber of Solicitors and Enforcement Agents
osae.pt

> National Register of Legal Persons of the Institute of Registries and Notary
irn.mj.pt

> E-Justice
justica.gov.pt

> Directorate General for Justice Policy
dgpj.justica.gov.pt

> Directorate General of Justice Administration
dgaj.justica.gov.pt
> Institute of Registries and Notary
  irn.justica.gov.pt

> Directorate General for the Consumer
  consumidor.gov.pt

> European Consumer Centre
  cec.consumidor.pt

> European e-justice
  e-justice.europa.eu

> List of arbitration centres
  dgpj.justica.gov.pt

> List of consumer dispute arbitration centres
  consumidor.gov.pt

> Public system on Labour Mediation
  dgpj.justica.gov.pt

> Unfair general contractual terms, tried in the Portuguese courts
  dgpj.justica.gov.pt

> Social Security
  (Income simulator for legal protection purposes)
  seg-social.pt