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Factsheet for case PT-2020-13/433

Extraordinary financial incentive to support the normalisation of the business activity

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|--------------|---|
| Country | Portugal, applies nationwide |
| Time period | Temporary, 27 March 2020 - 30 June 2020 |
| Type | Legislation or other statutory regulation |
| Category | Supporting businesses to get back-to-normal – Measures to support a gradual relaunch of work |
| Case created | 09 April 2020 (updated 20 April 2020) |

Background information

This exceptional and temporary measure, set by Decree-Law 10-G/2020 of 26 March, aims to respond to the COVID-19 pandemic, aiming at maintaining employment and the mitigation of situations of business crisis.

Following the period of temporary reduction of the normal working time or suspension of the employment contract provided for in the legislation under simplified conditions, the businesses are entitled to an extraordinary financial incentive to support the normalisation of the activity, in order to facilitate a gradual relaunch of work.

Content of measure

Companies in crisis situation as a result of: i) a complete halt in the activity or ii) or abrupt and sharp decrease of activity of at least 40% of invoicing have access to a temporary and extraordinary financial incentive to support the normalisation of the activity.

Following the period of temporary reduction of the normal working time or suspension of the employment

contract provided for in the legislation under simplified conditions, the employers are entitled to this temporary and extraordinary financial incentive to support the upturn of the business activity.

This incentive is paid as a lump sum by the Institute of Employment and Vocational Training (Instituto do Emprego e Formação Profissional, I.P. - IEFP, I.P.).

The amount to be paid is equal to the value of one national minimum wage per worker.

Use of measure

Not available

Actors, target groups and funding

| Actors | Target groups | Funding |
|--|---------------|----------------------------------|
| National government Public employment service | All companies | European Funds National funds |

Social partners

| | |
|-------------------------|---|
| Role of social partners | Consulted |
| Form of involvement | Bi-or tripartite social dialogue bodies |

Not available

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 20 March 2020: Decreto-Lei n.º 10-G/2020, Diário da República n.º 57/2020, 1º Suplemento, Série I de 2020-03- ([dre.pt](#))