



# Portugal Report

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## Sustainable Governance Indicators 2016

## Executive Summary

On the 25 April 1974, Portugal initiated the late 20th century's global "third wave" of democracy, and has been a functioning democracy with a strong legal foundation at least since the mid-1980s. Portugal's accession to what was then the European Economic Community (EEC) in 1986, and its subsequent role at the forefront of European integration, is a reflection of the country's unquestioned status as a consolidated democracy.

At the time of accession to the EEC, however, it was clear to all that the purpose was to consolidate the nascent democratic system, and that Portugal was not yet economically prepared to assume its role as an equal within the Community. The SGI's analysis of Portuguese economic conditions – not only in this report, but also in all previous editions – makes this clear. When we examine these results over time, we can see low scores in governance dimensions pertaining to policy formulation, correlated with low scores in areas relating to policy quality. Perhaps the most striking example of this is the effective lack of evidence-based instruments to accompany policymaking, with virtually no application of regulatory impact assessments. Moreover, the strategic component of decision-making is weak, as is monitoring of institutional governing arrangements, and there is little systematic effort to improve strategic capacity by making changes to these institutional arrangements. These patterns help explain results in this report's policy-performance section.

The above pattern – with decision-making often focusing on narrow and short-term results (often motivated by political considerations), preceded by little in the way of strategic planning – has been compounded in the current and previous periods by the aftermath of Portugal's sovereign-debt crisis of 2009 – 2010, which forced the country to request a bailout by the Troika (the European Central Bank, the IMF and the European Commission). This bailout carried with it a large number of requirements enshrined in a Memorandum of Understanding (MoU) signed in May 2011.

While the period under analysis here encompasses the period following the formal end of the bailout period in May 2014, the fact of the matter is that the end of the bailout did not mean an end to external conditionalities for Portugal's government, which has maintained austerity measures and

budgetary-consolidation goals. While Portugal shows improvement in terms of budgetary consolidation – achieving sustained reductions in the primary budget deficit since 2010, culminating in a surplus in 2014 – the country still faces considerable public-debt issues (with debt totaling 128.7% of GDP in the second quarter of 2015) that are well documented in the European Commission’s Country Report Portugal 2015 and the Council’s recommendation on the country’s 2015 National Reform Program. Moreover, the current period coincided with an election year, with legislative elections held in October 2015, and the short-term perspective mentioned above was reflected in the electoral focus that dominated political agents both in government and the opposition throughout this period.

This context, in which the key word is “austerity,” has had significant impact on the nature of policy performance, governance capacity and citizen attitudes. The overwhelming – if not entire – focus of public policy in the period analyzed here has been on raising public revenue and reducing public expenditure in order to meet the budget-deficit goals first set out in the MoU and required by the euro zone.

In the post-post-Troika era, it is important to highlight several key points that have epitomized the social, political and economic situation in Portugal during the period under consideration here. First, the fiscal and economic problems of Portugal are not unlike those in other countries of the European Union, particularly in the southern areas, nor those in other OECD countries. However, in Portugal they are compounded by a pattern of low economic growth and low productivity that has plagued the country since the early 2000s, well before the sovereign-debt crises. Second, while the Portuguese transition to democracy and its subsequent consolidation are not in question, the political leaders of the country, while utilizing democratic institutions, are still in the initial stages of reforming the economy and generating an efficient, reliable and predictable state that is trusted by citizens and economic agents.

Third, there is an ongoing brain drain of highly qualified, English-speaking university graduates to other more prosperous countries in the European Union. Fourth, in a related point, immigration to Portugal has virtually stopped, emigration has increased, and the birth rate has decreased below the mortality rate. In short, Portugal’s population is decreasing. Fifth, the impact of austerity on social conditions has been considerable, not least when we take into account the fact that Portugal has one of the highest income-inequality levels in the EU.

While the bailout conditions certainly affected governance and policy performance, it is important to note that the deficiencies noted above –

particularly at the governance level – considerably predate the sovereign-debt crisis and the ensuing bailout. This report highlights Portugal’s need to actively seek to improve the quality of governance and policy as the post-bailout period advances.

However, the prospects that this will in fact happen are not great. The previous legislature was marked by the growing inability of the two main parties, the center-right Social Democratic Party (Partido Social Democrata, PSD) and the center-left Socialist Party (Partido Socialista, PS) to forge the type of consensus that had been a key element of major political achievements in the democratic period (including accession to the EU and the country’s qualification for the euro zone). The legislature that emerged with the 4 October 2015 elections did not give any party a clear majority.

Not surprisingly, the Portuguese population is unhappy with the results of austerity and blame the politicians. The May 2015 Eurobarometer survey showed negative, bleak, and pessimistic results for Portugal in comparison to the rest of the EU.

Citation:

[http://ec.europa.eu/public\\_opinion/archives/eb/eb83/eb83\\_fact\\_pt\\_en.pdf](http://ec.europa.eu/public_opinion/archives/eb/eb83/eb83_fact_pt_en.pdf)

The data for the March 2015 survey is from SGEST, Lda, Projeto de Conjuntura Política, directed by Mario Bacalhau

[http://ec.europa.eu/europe2020/pdf/csr2015/cr2015\\_portugal\\_en.pdf](http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_portugal_en.pdf)

## Key Challenges

Portugal faces challenges in the period ahead. However, it is first worth noting issues which, in contrast to much of the rest of Europe or other democracies of relatively recent vintage, do not today appear to top Portugal’s list of policy difficulties. These include:

- 1). Migrants and refugees: Portugal is not a destination for the huge numbers of migrants and refugees currently leaving Africa, the Middle East and South Asia on their way to northern Europe.
- 2). The military and politics: In contrast to many other new democracies, relations between the military and the civilian government are not a problem in Portugal. The civilian-led Ministry of Defense and the parliament’s Defense Committee are indeed in charge of defense and security policy. And, while this is not captured by the SGI project, the Portuguese armed forces are benefiting

the country's diplomatic efforts through their current participation in eight peacekeeping and humanitarian missions under either the United Nations, the European Union, or the North Atlantic Treaty Organization.

However, the country does face five primary challenges, three of which are carried over from previous review periods:

1). Fiscal sustainability: Portugal formally concluded its bailout period in May 2014 with a clean exit, entailing a full return to international financial markets. However, the country continues to face considerable challenges with regard to achieving fiscal sustainability. The European Council's recommendation on Portugal's 2015 National Reform Program and 2015 Stability Program made it very clear that Portugal has a very long way to go before all austerity policies can be lifted. The European Commission's Country Report Portugal 2015 provides the details on which the recommendation is based.

2). Growth and productivity: If Portugal is to achieve fiscal sustainability, it also will have to generate economic growth. Portugal has demonstrated low growth levels since the early 2000s, deviating from the EU average. From 2002 to 2009, the average annual real GDP growth rate was only 0.46%. This low level of growth reflects the continuing low levels of productivity, an issue that successive governments have identified but failed to address successfully.

3). Improving governance capacity: As made clear in the ratings both in this report and its predecessors, Portugal scores poorly in a number of areas related to governance capacity, including the use of evidence-based instruments in policymaking; the degree to which strategic planning and external input are utilized in policymaking; societal consultation; policy implementation; and the degree to which institutional governing arrangements are subject to considered reform. Inevitably, weaknesses in these areas impinge on the quality of policy, both in terms of conception and implementation. This governance capacity pertains not only to decision-making arrangements, but also to broader oversight mechanisms, notably with regard to the financial sector.

4). Politics: This report makes it clear that short-term political benefit trumps long-range planning. Survey data make it very clear that the Portuguese population is unhappy with the political class. This may help explain the lack of clarity in the 2015 legislative elections, which failed to provide a clear majority to any party, with the right-wing coalition winning the largest share of the votes, but with the left-wing parties combined holding a majority in parliament. This report's review period closed on 8 November 2015, two days before the right-wing coalition government's parliamentary investiture vote – a vote it seemed set to lose, which would force that government's resignation.

5). Turning plans into reality: Plans and strategies underlying reforms of the state, education, and health care sectors are only very gradually beginning to take on any semblance of reality. For instance, as noted in the “Safe Living Conditions” section, while Portugal has formally adopted EU plans and strategies for domestic security, and has created bureaucracies to implement these plans and strategies, there is no public program to inform or interest the Portuguese population in the issue, or mobilize people behind these programs. Moreover, given that issues such as international terrorism, organized crime, cybercrime and the like are taking on increasing relevance, formal policies and bureaucracies will have little result in the absence of popular involvement and support.

Citation:

[http://ec.europa.eu/europe2020/pdf/csr2015/csr2015\\_council\\_portugal\\_en.pdf](http://ec.europa.eu/europe2020/pdf/csr2015/csr2015_council_portugal_en.pdf)

[http://ec.europa.eu/europe2020/pdf/csr2015/cr2015\\_portugal\\_en.pdf](http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_portugal_en.pdf)

# Policy Performance

## I. Economic Policies

### Economy

Economic Policy  
Score: 6

Portugal's bailout by the Troika of the EU, the International Monetary Fund (IMF) and the European Central Bank (ECB) was formally completed on 17 May 2014, with Portugal achieving a clean exit from this assistance program.

However, as noted in the 2015 SGI report, which encompassed the first six months of the post-bailout period, the end of the bailout did not entirely remove the conditionalities placed upon the Portuguese government. Indeed, the Memorandum of Understanding (MoU) with the Troika stipulated, in its 2013 revision, that Portugal would have a budget deficit of 2.5% in 2015, thus achieving a level below the 3% level set by the euro zone rules.

Over the period under analysis here, economic policy did not depart significantly from the pattern described in the 2015 SGI report. By and large, the government remained committed to austerity.

However, there were three noteworthy developments in this period. First, the government did not follow the MoU as closely as it did during the bailout period. Thus, the deficit goal for 2015 was set at 2.7%, somewhat higher than the 2.5% stipulated in the MoU, even if still within the 3% target. Second, the period was marked by a relative stabilization of the government's austerity program, with the assessment of the parliament's independent Technical Budget Support Unit being that the 2015 budget maintained, but did not increase, the level of structural adjustment effort of 2014. Third, the government largely avoided major economic-policy reforms in the period here under analysis.

These developments were made possible in part by the conclusion of the bailout and the very low yields on Portugal's government bonds, both factors

that reduced the pressure on the government to pursue austerity and reform policies.

However, perhaps more relevant is the fact that the period under review here, November 2014 – November 2015, coincided with the final year of the XII legislature, with legislative elections in October 2015, an environment that also proved amenable to greater stability and moderation in economic policy.

Citation:

Memorandum of Understanding (MoU) between Portugal and the EU, IMF, and European Central Bank.

Unidade Técnica de Apoio Orçamental - Assembleia da República (2015), “Análise à proposta do Orçamento do Estado para 2015.” Available online at: <http://bit.ly/1Q4CSfX>

### Labor Markets

Labor Market  
Policy  
Score: 5

Unemployment maintained the downward trajectory identified in last year’s SGI report. According to Eurostat, the unemployment rate stood at 13.6% in November 2014, but fell to 12.5% in October 2015 (with a low of 11.8% in July 2015). The unemployment level in October 2015 was the lowest since July 2011, and marks a considerable decrease from the high point of 17.9% in January 2013.

However, the question is whether this decline was the result of labor-market policies or was primarily due to other factors. The available evidence suggests there are two main factors driving this result. First was the presence of real economic growth, with the economy rebounding – albeit modestly – after a contractionary period in 2011 and 2012. Second was the effect of emigration, with the very high levels of emigration noted in last year’s report continuing. Data produced by the National Statistics Institute (Instituto Nacional de Estatística, INE), provided by Pordata, estimates that some 135,000 Portuguese emigrated either temporarily or permanently from the country in 2014, a slight increase vis-à-vis 2013 (128,000). According to Eurostat, the number of unemployed fell by 275,000 from January 2013 (908,000 unemployed) to October 2015 (633,000 unemployed).

There was little change in Portugal’s labor legislation and policy in the period here under review. This too appears to reflect the political constellations of the pre-election year as well as the weaker pressure on the government in the post-bailout period.

That said, there were three changes that largely came into effect during the review period, even if implemented earlier. The first was a €20 increase in the monthly minimum wage, raising it to €505, which came into effect in October

2014. This increase – the first since 2011 – was compensated for by a reduction in the social tax paid by employers for workers on minimum-wage salaries from 23.75% to 23%. The second was the introduction of priority rules for layoffs, coming into effect in June 2014. The third was a new regulation on collective-bargaining agreements that reduced their period of validity; this came into force in September 2014. However, the net effect of these changes to labor-market policy’s capacity to address unemployment does not appear to be significant.

Citation:

<http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Profiles/Country/PRT.pdf>

[http://www.oecd-ilibrary.org/economics/country-statistical-profile-portugal\\_20752288-table-prt](http://www.oecd-ilibrary.org/economics/country-statistical-profile-portugal_20752288-table-prt).

Eurostat, “Unemployment rate by sex and age - monthly average, %,” available online at: [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une\\_rt\\_m&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_m&lang=en)

Pordata, “Emigrantes: total e por tipo - Portugal,” available online at: <http://www.pordata.pt/Portugal/Emigrantes+total+e+por+tipo-21>

## Taxes

Tax Policy  
Score: 4

The 2015 – 2016 Global Competitiveness Index (GCI) ranked Portugal at 38th place out of 140 countries analyzed, with a score of 4.52. This marks a deterioration, albeit a negligible one, vis-à-vis the previous GCI, in which Portugal scored 4.54 and ranked 36th out of 144 countries analyzed. However, it does contrast with the substantial improvement in Portugal’s score and ranking in recent years noted in previous SGI reports. Again, this is consistent with the assessment made elsewhere in this report of a stabilization of reform coming due to the political conditions in a pre-election year and weaker external pressure on the government in the post-bailout period.

The review period was indeed marked by little change, the exception being a reduction on corporate-income tax of 2 percentage points, continuing a policy initiated in 2014. The World Bank highlighted this progress in its Doing Business 2016 Report, noting that “Portugal made paying taxes less costly by both lowering the corporate-income tax rate and increasing the allowable amount of the loss carried forward.” However, the impact of this change on Portugal’s score in the report’s “Paying Taxes” category was slight – an improvement from a score of 77.84 in the previous report to 78.54 in the most recent one – and Portugal retained its ranking of 65th place in this area.

The very high levels of taxation on income and consumption noted in the previous SGI report have remained even after the end of the bailout period. The budget for 2015 used tax receipts extensively to reach its goal of a 2.7% deficit, with at least half of the consolidation in 2015 projected as coming from

the revenue side, including the use of a host of new “green taxes.”

Portugal also showed the OECD’s highest rate of increase between 2000 and 2014 on personal-income taxes and related contributions, at 3.9%. The tax on salaries and worker’s contributions to social security increased from 37.3% to 41.2% during this period.

Tax policy continues to falls well short of the goal of horizontal and vertical equity. While the government has adopted measures to combat tax avoidance, the problem is far from being eradicated with regard to the personal-income tax. Moreover, at the corporate level, the effective tax rate often remains lower for comparatively more profitable companies than for their less-well-off peers. Finally, the considerable dependence of public finances on indirect taxation – notably on the value-added tax – falls to satisfy the vertical-equity criterion.

Citation:

<http://reports.weforum.org/global-competitiveness-report-2014-2015/economies/#economy=PRT>  
The World Bank, *Doing Business 2015: Going Beyond Efficiency*, Washington, DC: 2014, p. 162.

World Bank Group, “Ease of Doing Business in Portugal – Paying Taxes,” available online at: <http://www.doingbusiness.org/data/exploreeconomies/portugal#paying-taxes>

World Bank Group, “Doing Business 2016 - Measuring Regulatory Quality and Efficiency,” available online at <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB16-Full-Report.pdf>, published 27 October 2015.

World Economic Forum, “The Global Competitiveness Report 2014-15,” available online at: [http://www3.weforum.org/docs/WEF\\_GlobalCompetitivenessReport\\_2014-15.pdf](http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2014-15.pdf)

World Economic Forum, “The Global Competitiveness Report 2015-16,” available online at: [http://www3.weforum.org/docs/gcr/2015-2016/Global\\_Competitiveness\\_Report\\_2015-2016.pdf](http://www3.weforum.org/docs/gcr/2015-2016/Global_Competitiveness_Report_2015-2016.pdf), published 30 September 2015.

## Budgets

Budgetary Policy  
Score: 5

According to Eurostat, Portugal’s 2014 budget deficit was 7.2%. This was considerably higher than the 4% target established for 2014 by the MoU. However, this budget deficit was inflated by the government’s €4.9 billion euro bailout of the Banco Espírito Santo (BES) during the summer of 2014. Without this bank bailout, the 2014 deficit would have stood at 4.5%, the best result since 2008.

During the period under review (November 2014– November 2015), the governing coalition, which is comprised of the Social Democratic Party (PSD) and the Democratic and Social Center/Popular Party (CDS-Partido Popular, CDS-PP), maintained the goal of reaching a deficit below 3% for 2015. As noted above, the budget for 2015 set the deficit goal at 2.7%, 0.2 percentage

points higher than the MoU goal for 2015, largely maintaining the previous year's degree of structural adjustment. In part this reflected the political realities of the election year. However, it also reflected an easing of budgetary pressures thanks to the end of the bailout, low yields on government bonds and some economic growth after the contraction of 2011 – 2012.

The European Commission's 2015 Autumn Forecast, announced on 5 November, predicted a budget deficit for 2015 of 3% – higher than the 2015 budget target, but nonetheless reflecting deficit reduction.

It should also be noted that Portugal has seen considerable improvement when examining the primary budget in particular. The primary budget deficit fell by 4.5 percentage points from 2010 to 2013, and there was a primary budget surplus of 0.4% in 2014.

Citation:

[http://ec.europa.eu/economy\\_finance/eu/countries/portugal\\_en.htm](http://ec.europa.eu/economy_finance/eu/countries/portugal_en.htm)

<https://data.oecd.org/portugal.htm>

Pedro Romano (2014), "Saldos primários em tempos de crescimento," available online at: <https://desviocolossal.wordpress.com/2014/03/17/saldos-primarios-em-tempos-de-crescimento/>

European Commission (2015), "European Economic Forecast - Autumn 2015," available online at: [http://ec.europa.eu/economy\\_finance/publications/eeip/pdf/ip011\\_en.pdf](http://ec.europa.eu/economy_finance/publications/eeip/pdf/ip011_en.pdf)

## Research and Innovation

R&I Policy  
Score: 5

Research and innovation policy partly supports innovations that foster the creation of new products and enhances productivity. There is a policy to support research and innovation – backed by the European Union and the Portuguese government – that functions in universities and in businesses, and in some research centers which are linked to businesses and (in most cases public) universities.

The European Union's 2015 Innovation Union Scoreboard classifies Portugal as a "moderate innovator," the second-lowest category (out of four). However, it also notes that Portugal's research and innovation performance has improved in the 2007 – 2014 period, including its relative performance in comparison to the EU average.

However, this average over the last seven years masks a recent decline in R&D investment. The bailout period's austerity measures impacted adversely on public funding, the main source of investment in R&D, while the economic recession has also curtailed private investment in R&D. While Portugal's Innovation Index score for 2014 rose somewhat when compared to the

previous year (0.403 in 2014; 0.400 in 2013), it still remains considerably below the pre-bailout level (0.426 in 2010). Overall, Portugal has diverged from the EU average since 2011, although in 2014 it saw the distance to the EU average fall marginally for the first time since 2010.

The government has sought to increase R&I outputs by adopting the Strategic Program for Entrepreneurship and Innovation (+e+i), which was approved in December 2011. However, the results of this program have yet to translate fully into new products and greater productivity, even if the program's existence demonstrates an awareness of the need to harness R&I for this purpose.

Citation:

[http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards/files/ius-2015\\_en.pdf](http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards/files/ius-2015_en.pdf)

### Global Financial System

Stabilizing  
Global Financial  
Markets  
Score: 4

Portugal is a peripheral country and has not sought to contribute actively to the effective regulation and supervision of the international financial architecture. While this pattern is not of recent vintage, it has if anything intensified in recent years, as Portugal's bailout and the country's dependence on the perceived risk level assigned to its debt by international financial markets means that the government is primarily preoccupied with achieving fiscal sustainability and financial-sector stability at the domestic level.

## II. Social Policies

### Education

Education Policy  
Score: 4

The government of Prime Minister Passos Coelho, which took office in June 2011 and continued to hold power through the end assessment period (November 2015), abolished the "New Opportunities" lifelong-learning program that had been a flagship of the predecessor government. The New Opportunities centers were replaced in March 2013. The government also supported technical and professional education more strongly, expanding vocational courses across the educational sector in October 2015. Previously, it also expanded the use of national-level examinations for students. In addition, the government has sought to devolve education responsibilities by increasing partnerships with private education providers, and in the summer of 2015, initiating a pilot project to decentralize education responsibilities to local governments in 15 municipalities.

However, there is little evidence that these measures have generated gains in terms of quality, access or efficiency. Indeed, some of the policy measures adopted have contributed to making the educational system less effective, at least in the short term, as evidenced by the considerable turbulence over teacher placements in the 2014/15 academic year. Several schools were unable to field a full teaching staff even a full month after the start of the school year. Moreover, one of the measures introduced – holding written exams for people seeking to enter the teaching profession – was deemed unconstitutional by the Constitutional Court in October 2015.

With regard to quality, the austerity measures and cuts have had an adverse impact on the already poor overall quality of education in Portugal, with schools and universities seeing their budgets slashed. Schools have lost teachers, with those leaving being selected not on the basis of merit, but rather on the basis of their contract terms. Universities have also seen a brain drain, with many professors going abroad, as a result of lower budgets and reductions in wages. Similarly, access has been affected both on the supply and demand sides. On the supply side, the cuts have sustained existing bottlenecks (e.g., for preschool places). The demand side has been constrained by the recession – a result of increasing unemployment and lower family incomes – as well as austerity, which has resulted in higher tuition fees and more limited financial aid for poorer students. While the number of university graduates has increased, Portugal remains far below the OECD average. Likewise, the high-school dropout rate is very high.

Post-bailout, the pattern of austerity and cuts in education has continued. In the 2015 budget, the Ministry of Education suffered the largest budget cuts of any ministry, with a spending decrease of 11% as compared to 2014 imposed on primary and secondary education.

In early 2015, the OECD called attention to the negative impact of successive budget cuts in the education sector, and advocated an increase in the education budget.

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Portaria n.º 341/2015 de 9 de outubro, available online at: <https://dre.pt/application/conteudo/70497208>  
Joana Capucho, “67 milhões de euros para 15 câmaras gerirem educação,” *Diário de Notícias*, 14/08/2015, available online at: <http://www.dn.pt/portugal/interior/67-milhoes-de-euros-para-15-camaras-gerirem-educacao-4729632.html>

### Social Inclusion

Social Inclusion  
Policy  
Score: 4

Government social policies seeking to limit socioeconomic disparities do exist, but they are poorly funded and are not very effective in preventing poverty. Taxes were first imposed and then increased on pensions, which are now taxed

like ordinary income. In view of the need to reduce the government's social costs, there has been pressure to reduce contributions to poverty-reduction programs, including pensions. In this regard, in June of 2014 the government approved cuts in pension levels, while at the same time increasing the level of taxes applied to them. According to the National Statistics Institute, the risk of poverty after social transfers increased to 18.7% in 2012 and 19.5% in 2013, as compared to a pre-bailout level of 17.9% in 2009. The 2015 budget did not envision a significant overall change. While the pressure on pensions has been somewhat alleviated, this has largely been compensated for by cuts in other welfare benefits. Overall, social-inclusion policies have been curtailed by the austerity drive in the period under review, despite a European and global economic environment that has imposed greater risks of poverty.

Citation:

Newspaper articles of early and mid-2015

INE (2015), "Taxa de risco de pobreza (Após transferências sociais - %) por Sexo e Grupo etário; Anual," available [https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine\\_indicadores&indOcorrCod=0004206&contexto=bd&selTab=tab2](https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_indicadores&indOcorrCod=0004206&contexto=bd&selTab=tab2) online at:

## Health

Health Policy  
Score: 6

Portugal's population shows comparatively good levels of overall health. However, as in other areas of public policies, the country's National Health System (NHS) came under particular financial pressure in the previous review period as a result of the pressure on Portugal to curb public expenditure.

In May 2015, the OECD published a near-200-page book evaluating Portugal's health care, called "OECD Reviews of Health Care Quality – Portugal: Raising Standards." The findings, as stated in the book's executive summary, are relatively positive. They call particular attention to the following points:

- An impressive array of quality-monitoring and improvement initiatives;
- A primary-care system that performs well, with rates of avoidable hospitalization, which is among the best in the OECD for asthma and chronic obstructive pulmonary disease (COPD);
- Significant efforts being made to reorganize the country's hospital sector; and
- Sustained progress in containing spending, while maintaining efforts to improve care quality.

However, the report also calls attention to several challenges with regard to improving the quality of health care in Portugal.

Citation:

<http://www.oecd.org/health/health-systems/Review-of-Health-Care-Quality-Portugal-Executive-Summary.pdf>

## Families

Family Policy  
Score: 7

The review period featured a modest expansion in paternity and maternity rights through changes to the Labor Law (Código do Trabalho) approved in September 2015, the most significant being the extension of paternity leave from 10 to 15 working days in the first month after birth. These changes also seek to increase parental flexibility (e.g., through teleworking), although the actual impact of these measures will depend largely on how they are implemented.

The review period also saw stabilization in the birth rate after a significant decline in 2011 – 2013. The birth rate in 2014 was identical to 2013, and there was even a slight increase (2.8%) in the number of births in the first six months of 2015. However, these changes appear to be driven more by the recent economic recovery than by changes to family policy. Moreover, they do not yet ameliorate the difficulties presented by Portugal’s aging population, as the country still showed the EU’s lowest birth rate in 2014, at 7.9 births per 1,000 persons.

Citation:

See Diário da República I, série-No 170 - 1 September 2015, Lei No 120/2015.

Eurostat, “Crude birth rate per 1 000 persons,” available online from: <http://ec.europa.eu/eurostat/web/population-demography-migration-projections/births-fertility-data/main-tables#>

## Pensions

Pension Policy  
Score: 4

The pension program has been one of the most closely scrutinized aspects of government policy since the 2011 bailout, and has been one of the main areas in which the government has sought to reduce public expenditure. To that end, a number of cuts and modifications were enacted, and remained in place during the assessment period. It may be noted that the pension system in Greece is also receiving intense scrutiny.

The government has sought to bolster the pension system’s fiscal sustainability. To that end, the retirement age was increased from 65 to 66 years beginning in 2014, to remain there through 2015. From 2015 on, the

retirement age was slated to increase every year depending on the evolution of average life expectancy. Thus, it is expected to increase by two months in 2016. However, the decrease in the country's population as both birth and immigration rates fall puts additional pressure on the social-security system. Indeed, pension policy was a central issue in the election campaign for the October 2015 legislative elections.

### Integration

Integration Policy  
Score: 8

In the two previous SGI reporting periods, we noted that the economic crisis has been accompanied by a decrease in immigration. This pattern continued in 2014, with the immigrant population falling by 1.5%, to 395,195 – the first time since 2002 this number has fallen below 400,000.

It should also be noted that Portugal is not a destination for the huge numbers of refugees and migrants currently entering the European Union.

Overall, all evidence suggests that Portugal's integration policies have remained successful in the current period. Indeed, the 2014 Migrant Integration Policy Index (MIPEX) ranks Portugal second in the EU (after Sweden) in terms of the most favorable migrant-integration policies. This points to the preponderance of economic conditions over specific policy in Portugal in terms of the country's role as an attractive destination – that is, the fall in immigration in Portugal in recent years has less to do with policy than with the country's lackluster economic performance.

Citation:

Público, "Número de estrangeiros baixou mas a comunidade chinesa foi a que mais aumentou em Portugal," 25 Jun 2015, p. 13.

Migrant Integration Policy Index, "Key Findings - Portugal 2014," available online at: <http://www.mipex.eu/portugal>

### Safe Living

Safe Living  
Conditions  
Score: 8

Portugal is signatory to and participant in all relevant Europe-wide programs regarding public security. In addition, Portugal has created a General Secretariat for the Internal Security System, which reports to the prime minister via the minister for internal administration.

The trend identified in the previous report was maintained during this review period, with a drop of 6.7% in overall reported crime in 2014. This is all the more remarkable given the context of economic crisis. Overall, Portugal remains a relatively safe country in international terms.

This pattern is consistent with that found in surveys. In the Eurobarometer survey on the issue of internal security, published in November 2011, Portuguese respondents indicated a lower degree of concern about terrorism, petty crime, cybercrime and religious extremism than the EU average.

Citation:

Special Eurobarometer 371, “Internal Security. European Commission, Brussels. Available at [http://ec.europa.eu/public\\_opinion/index\\_en.htm](http://ec.europa.eu/public_opinion/index_en.htm)

Sistema de Segurança Interna, “Relatório Anual de Segurança Interna 2014,” available online at: [https://www.parlamento.pt/Documents/XIILEG/Abril\\_2015/relatorioseginterna2014.pdf](https://www.parlamento.pt/Documents/XIILEG/Abril_2015/relatorioseginterna2014.pdf)

### Global Inequalities

Global Social  
Policy  
Score: 5

There has been virtually no change in this area vis-à-vis previous reporting periods. Foreign aid remains very much a secondary consideration in foreign policy, with the main interest being in economic diplomacy to promote the Portuguese economy and exports. That does not mean that Portugal is disengaged – it still participates in terms of foreign aid, especially in the Portuguese-speaking countries of Africa and East Timor. However, while there is some funding for foreign aid projects, there is little concern with the overarching aid policy, which means that coherence was not as strong as it might be. This lack of interest also percolates through to the design of international policies and the lack of international leadership in that regard. It must also be kept in mind that Portugal is a follower, and not an international leader, and has very few resources. Therefore, while Portugal is supportive of the good intentions, it is in fact marginal with regard to the implementation and design of foreign assistance.

However, if the question were to be shifted to include foreign involvement beyond the financial and economic sphere, then Portugal is a “supplier of security” through its participation in U.N., NATO, and EU security- and humanitarian-support missions. Furthermore, in specific instances such as Guinea-Bissau, Portugal has been very active in attempting to stabilize national governments, promote security, and ultimately promote development.

### III. Environmental Policies

#### Environment

Environmental  
Policy  
Score: 6

Portugal has legislation in place meant to protect the environment. Although the government has failed to implement adequate policies to mitigate climate change, ensure renewable water sources, or to protect forest areas and biodiversity, the reduction in production resulting from the economic crisis has eased the pressures placed on the environment. According to the 2015 Climate Change Performance Index (CCPI), released in December 2014, Portugal ranks fourth overall, behind only Denmark, Sweden and the United Kingdom, with regard to having the most effective environmental policies. This is a fall of one position in terms of rank, while the country's score also saw a slight drop (from 68.38 in 2014 to 67.26 in 2015).

Portugal has proposed a National Strategy for Sustainable Development (ENDS) at least since 2002, but this strategy remained pending during the review period. Such a strategy could have a very positive impact. In its main elements, this reform seeks to develop a green public-accounting system; harmonize and publicize existing environmental information; create analysis and decision-support tools that combine environmental, social, economic and budgetary aspects; review sectoral regulation policies; and rationalize existing environmental funds.

In the meantime, in lieu of the ENDS, assessments here are based largely on newspaper reporting. In this regard, Portugal can be rated as good on climate issues; not good on water resources, but with a National Plan for Water under discussion; not bad on forests; and good on biodiversity, particularly with regard to marine environments.

Citation:

Source: Público 18/11/2013.

Technical Report for the DGEP Model Results prepared for the Commission for Green Fiscal Reform (<http://www.portugal.gov.pt/media/1537849/20140917%20fiscalidade%20verde%20anexo%20IV%20DGE%20model%20results.pdf> (doc 23 e 24)

Jan Burck, Franziska Marten & Christoph Bals (2014), The Climate Change Performance Index Results 2015, available online at: <https://germanwatch.org/en/download/10407.pdf>

Jan Burck, Franziska Marten & Christoph Bals (2013), The Climate Change Performance Index Results 2014, available online at: <https://germanwatch.org/de/download/8599.pdf>

### Global Environmental Protection

Global  
Environmental  
Policy  
Score: 5

Portugal agrees to and participates in EU-wide policies on the environment. Portugal has also signed the Kyoto Protocol. However, the country's primary challenge here concerns implementation in both the domestic and global settings. During the period under consideration, the European Environment Agency stated that "Portugal has made significant advances in environmental protection...[.]" Portugal has become much more active in promoting global protection of marine environments in particular.

Citation:  
[www.eea.europa.eu](http://www.eea.europa.eu)

# Quality of Democracy

## Electoral Processes

Candidacy  
Procedures  
Score: 9

Individuals and political parties enjoy largely equal opportunities to register for and to run in elections, both de jure and de facto. Parties espousing racist, fascist or regionalist values are all constitutionally prohibited, as are parties whose names are directly related to specific religious communities. However, these rules are rarely applied, and the small, extreme-right National Renewal Party (Partido Nacional Renovador, PNR) was allowed to contest the October 2015 legislative elections.

While individual citizens can run in municipal elections, they are barred from contesting legislative elections, where only registered political parties can present candidates. The requirements for registering a party are relatively onerous. To be formed, parties must acquire the legally verified signatures of 7,500 voters. Moreover, they must ensure that their internal party rules and statutes conform to the political-party law, which requires that parties' internal functioning must conform to "the principles of democratic organization and management" (Article 5 of the Political Party Law – Lei dos Partidos Políticos), and defines a number of internal bodies that parties must have (Articles 24-27).

However, these requirements do not prevent new parties from forming. Indeed, in the parliamentary elections of 4 October 2015, 20 parties and coalitions figured on the ballot, which represents the highest total since democratization in the 1970s.

### Citation:

On the laws see, for example, Eleição da Assembleia da República 1 / Outubro/1995: Legislação eleitoral actualizada e anotada (Lisbon: STAPE/MAL, 1995); and Lei dos Partidos Políticos (Political Party Law) – Lei Orgânica n.º 2/2003, de 22 de Agosto, com as alterações introduzidas pela Lei Orgânica n.º 2/2008, de 14 de Maio. For the parties and coalitions in the parliamentary elections of 4 October 2015 see Expresso of 22 August 2015.

Media Access  
Score: 8

Parties have access to broadcast time on television and radio for political purposes during the official campaign period of two weeks preceding an election. This time is divided equally among the parties, according to the

number of candidates they present. Parties need to present lists in at least 25% of electoral districts, and field a total number of candidates equal to at least one-quarter of the total number of possible candidates, in order to qualify for these broadcasts. These short broadcasts (lasting a maximum of three minutes for each party) air during prime-time, and had a non-negligible audience during the recent elections. During two days of the official October 2015 legislative-election campaign, these broadcasts were among the top 15 most-watched programs of the day.

If one considers media access more broadly, access to news programs and political debates is overwhelmingly concentrated on the five lists that have parliamentary representation: the Socialist Party (Partido Socialista, PS), the Social Democratic Party (Partido Social Democrata, PSD), the Democratic and Social Center/Popular Party (CCDS – Partido Popular, CDS-PP), the Left Bloc (Bloco de Esquerda, BE) and the Unitarian Democratic Coalition (Coligação Democrática Unitária, joining the Portuguese Communist Party and the Ecologist Party, CDU). Thus, television news coverage, which is popular in terms of TV ratings and is the predominant source of information for the Portuguese, is heavily concentrated on the five main parties.

In the previous report we noted that the television coverage of election campaigns had been curtailed during recent local and European elections, as the main television networks opted not to provide coverage in response to the National Election Commission adopting a very strict interpretation of the then existing law, requiring media to provide equal coverage to all parties during the campaign period.

This situation was resolved during the period under review here, allowing for full coverage of the 2015 legislative-election campaign. The solution adopted was the approval of legislation removing the requirement that television debates include all candidates, and the elimination of fines for media organizations that failed to provide equal coverage to all parties.

In the period under review here (November 2014 – November 2015), which included the parliamentary elections of 4 October 2015, political parties jostled to place themselves in the most positive light, in many cases denouncing the media as an electoral strategy. The government and parliament emphasized that the media had a legal responsibility to cover election campaigns.

Citation:

[www.cne.pt/content/apresentacao](http://www.cne.pt/content/apresentacao)

<https://www.parlamento.pt.../Paginas?detalhelniciativa.aspx?BID>

Legislativas 2015, “Maioria vai aprovar lei da cobertura eleitoral contra toda a oposição,” 18/06/2015,

available online at: <http://www.legislativas2015.pt/2015/06/18/maioria-vai-aprovar-lei-da-cobertura-eleitoral-contra-toda-a-oposicao/>

Lei n.º 72-A/2015 de 23 de julho, available online at: [http://www.cne.pt/sites/default/files/dl/lei\\_72-a\\_2015\\_cobertura-jornalistica\\_publicidade\\_comercial\\_1.pdf](http://www.cne.pt/sites/default/files/dl/lei_72-a_2015_cobertura-jornalistica_publicidade_comercial_1.pdf)

Voting and  
Registrations  
Rights  
Score: 9

All adult citizens are guaranteed the right to participate in national elections. The government also provides transportation to those requiring it. Citizens in hospitals and in jails are also able to vote, with assistance provided as necessary, and provision is made for Portuguese citizens living abroad to cast their ballots. There is no observable discrimination.

Problems with substantial inflation of the electoral register remain, generating a problem of technical abstention. Comparing 2011 census data with the same year's electoral register, the latter outnumbers the former by just over 1 million voters, thus artificially inflating abstention rates by some 10 percentage points. Estimates after the 2015 legislative elections pointed to a gap of about 780,000 between the register and actual number of voters. As noted in the previous report, this difference is a reflection of the current emigration pattern and the failure of Portuguese emigrants registered to vote in Portugal to transfer their electoral registration to their overseas residence. As Portuguese voters can only vote in the administrative parish (or, if abroad, in the country) in which they are formally registered, this means that a substantial proportion of Portuguese emigrants are unable to exercise their voting rights. For instance, in the 2015 legislative elections, there were a total of 9,457 registered Portuguese voters in Switzerland, a minute fraction of the estimated 262,748 Portuguese citizens resident in Switzerland in 2014.

At the same time, it must be noted that this discrepancy is not due to legal barriers to registration. Both within and without Portugal, electoral registration is a simple and non-exclusionary process.

Citation:

Pedro Crisóstomo & Maria Lopes (2015), "Emigrantes registados nos cadernos eleitorais distorcem números da abstenção," *Público* online (11/10/2015), available online at: <http://www.publico.pt/politica/noticia/emigrantes-registados-nos-cadernos-eleitorais-distorcem-numeros-da-abstencao-1710762?page=-1>

Party Financing  
Score: 7

Political-party funding oversight lies with the Constitutional Court, which has a specific body to monitor party financing and accounts – the Entidade das Contas e Financiamentos Políticos (ECFP). There are two main sources of funds for political parties. First, the state provides funding to all parties that received vote shares above a certain threshold in previous elections (over 100,000 votes in the case of legislative elections); second, parties receive private contributions, which must be registered with the electoral commissions

of each of the parties at the local, regional and national levels.

Parties' annual accounts and separate electoral-campaign accounts are published on the ECFP website and are scrutinized by this entity, albeit with considerable delay. Thus, during the period under review here (2014 – 2015), the ECFP pronounced judgements on the 2009 and 2011 legislative elections, as well as on party accounts for the year 2012.

As noted in the previous report, ECFP reviews tend to identify irregularities and/or illegalities. However, sanctions for infractions are relatively small and infrequent. A 2012 study examining oversight of party accounts – based on interviews with both the ECFP and party representatives – noted that the ECFP lacked resources, which limits its capacity to fully monitor party and election funding. This appears to have remained true in the current period.

Citation:

(1) Marques, David & Coroado, Susana (2012). "Sistema Nacional de Integridade – Portugal," p. 31

Popular Decision-  
Making  
Score: 2

The institution of referenda exists at national and local levels. However, while citizens can propose referenda – with 75,000 signatures required to subscribe a petition for a referendum – the referendum itself only takes place if there is agreement from political officeholders. In the case of national-level referenda, the Assembly of the Republic or the government must propose the referendum to the president, and the president must accept this proposal. Citizens can propose local referenda, but the Municipal Assembly can decide whether to call these referenda or not.

In practice, referenda are rare in Portugal. There have been only three national referenda in Portugal since the transition to democracy, the most recent having been held in 2007. Local referenda are also rare, with five having officially taken place. During the period under review, one municipality (Faro) considered holding a local referendum on the future of a local camping site, but did not ultimately go ahead with the vote. Additionally, a parish-level vote took place in the Campolide parish of Lisbon, in March 2015. However, this vote did not follow the legal rules of a referendum.

During the period under review here, steps were taken to initiate a citizen proposal for a referendum on the Portuguese Language Orthographic Accord of 1990, which seeks to harmonize written Portuguese across Lusophone countries. However, this proposal has not yet reached the required number of signatures to be submitted to Parliament.

### Access to Information

Media Freedom  
Score: 6

Public and private media are independent from the government's influence, as mandated by the constitution of 1976. The media are regulated by the Entidade Reguladora da Comunicação Social (ERC). Four of the five members of the ERC board are appointed by a qualified majority of two-thirds of parliament, and the fifth member – who normally becomes the ERC's head – is selected by the other four members.

As noted in the previous report, the government changed the governance structure of the publicly owned Rádio e Televisão de Portugal (RTP) Group in 2014, most notably creating the Independent General Council of RTP, which is empowered to appoint and dismiss the RTP Group's administrative board. The creation of this Independent General Council aimed at reducing direct government oversight and interference.

After this council twice rejected the RTP board's strategic plan, the board resigned in January 2015, and a new board was nominated by the independent council. However, this resignation was not without controversy, with the outgoing board accusing the Independent General Council of acting as "apparatchiks," especially as friction emerged between the board and the minister in charge of RTP.

Citation:

Público (2015), "Administração da RTP renuncia até ao fim do mês," 21/01/2015, available online at: <http://www.publico.pt/politica/noticia/governo-anuncia-renuncia-da-administracao-da-rtp-1682923>

Media Pluralism  
Score: 7

Portugal's media market is a competitive and relatively diversified one. There are four main television networks – one public (RTP, with two channels) and two private (SIC and TVI), each of the latter owned by a different media conglomerate (Impresa and Media Capital). In the aftermath of the transition to digital television, the Portuguese Assembly's own channel, ARTV (previously only available on cable) was added to the roster of free-to-air channels in December 2012.

The national cable television news channels, once restricted to offerings from the RTP and SIC groups, has been diversifying substantially since 2009. There are now five cable news channels in Portuguese, with SIC Notícias (founded in 2001); RTP Informação (2004; named RTP Notícias until September 2011); TVI 24 (2009); Económico TV (2010; associated with the daily business newspaper, *Diário Económico*); and *Correio da Manhã* TV (March 2013, associated with the daily tabloid, *Correio da Manhã*).

This diversification increasingly reflects the newspaper market, where a number of leading groups emerge. The Controlinveste group holds a number of relevant titles, notably *Jornal de Notícias* (a leading daily in northern Portugal) and *Diário de Notícias* (another leading daily newspaper). The Impresa group also controls some print outlets, its flagship being the influential *Expresso* weekly. Meanwhile, the Sonae group is behind another influential title – the daily *Público*. Cofina Media has the tabloid *Correio da Manhã* and the daily financial newspaper *Jornal de Negócios*; Ongoing has the other daily finance paper, *Diário Económico*; the *Sol* weekly is held by Newshold, which also acquired the daily “i” from Sogapal in September 2013. Newshold sold much of its share in the Cofina group, reducing it from 15% in 2011 to less than 2% in October 2014. There is also an online daily newspaper called *Observador* with a classical liberal orientation (as set out in its editorial statutes).

This diversity results in a degree of pluralism of views and opinions. At the same time, it must be noted that the majority of media outlets – notably newspapers – face considerable financial challenges, as they frequently change hands. Of note in this regard is the increasing influence of Angolan investors within the Portuguese media, with the international Index on Censorship organization raising concerns about how Portuguese media report on Angola as a result.

Citation:

*Observador*, “Estatuto Editorial,” available online at: <http://observador.pt/estatuto-editorial/>

João de Almeida Dias (2015), “Portugal’s journalists under pressure from Angolan money,” Index on Censorship 22/10/2015, available online at: <https://www.indexoncensorship.org/2015/10/portugals-journalists-under-pressure-from-angolan-money/>

Access to  
Government  
Information  
Score: 7

Free and readily available access to official information is guaranteed in Article 48, subsection 2 of the 1976 constitution, and there are mechanisms to ensure that this does in fact happen. There are extensive legal stipulations providing guarantees for access to official information. Additional support is supplied by the Aarhus Convention of the European Union which was signed on 25 July 1998 and ratified by Portugal on 7 September 2003. The government has recently put online virtually all official information and requirements such as permits and licenses. It can be readily accessed through home computers and for free in a wide variety of public places such as municipal libraries. The Commission on Access to Administrative Documents (Comissão de Acesso aos Documentos Administrativos, CADA), established in 1995, deals with complaints regarding public access to information.

That said, there remains scope for improvements in terms of access to government information. The Global Right to Information Rating index gives

Portugal a score of 73 out of 150, placing the country 70th out of 102 countries. However, this survey's date of information collection for Portugal was 1993.

More important than this very dated index rating is the fact that at the local level (municipios and freguesias), the population generally has access to government information, documents and more.

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Global Right to Information Rating, Country Data, available online at: [http://www.rti-rating.org/country\\_data.php](http://www.rti-rating.org/country_data.php)

### Civil Rights and Political Liberties

Civil Rights  
Score: 8

The Portuguese Constitution of 1976 defines broad categories of rights and guarantees for the population in Articles 12-23 and 24-27. This is generally also the case in practice. However, poorer elements of society, as in any country, tend to lack the educational, legal and other means to take full advantage of these guarantees.

Within this context, elements of concern noted in previous reports with regard to civil rights in Portugal remain:

1). There continue to be reports of police violence and brutality. The U.S. Department of State Report on Human Rights Practices in Portugal for 2014 considers there to be “credible reports of excessive use of force by police.” In a well-publicized case, tensions emerged in Lisbon's Cova da Moura neighborhood in February 2015 after claims of excessive police force that led to disciplinary proceedings against police officers.

2). The treatment of prisoners remains another point of concern, with the U.S. Department of State Report on Human Rights Practices in Portugal for 2014 once again identifying as “credible” reports of “mistreatment and other forms of abuse of prisoners by prison guards.” Moreover, this report also notes the persistence of inadequate facilities and overcrowding in Portuguese prisons. A Council of Europe study, reported in February 2015, indicated that the prison system had 14,284 inmates, overshooting its capacity of 12,167 by 17%.

3). The legal system continues to allow lengthy pretrial “preventive” detentions, without charges being filed. According to the U.S. Department of State Report on Human Rights Practices in Portugal for 2014, 16.5% of the prison population was in preventive detention of this kind in July 2014 – a decrease as compared to the previous period in 2013 (19%) – and such detainees spend an average of six months to a year incarcerated.

It seems relevant here to note that ex-Prime Minister José Sócrates is under house arrest for alleged corruption, money laundering and tax fraud. Moreover, at least one other minister and several important bankers are also under investigation for corruption. Thus, while there are undoubtedly variations in the application of the law, even those at the very top of society, in both the public and private sectors, can be held to account.

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US State Department, "Country Reports on Human Rights Practices for 2014 - Portugal," available online at: <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?year=2014&dld=236566>

Diário de Notícias, "Processo disciplinar para nove polícias por incidentes na Cova da Moura," 7/7/2015, available online at: <http://www.dn.pt/portugal/interior/processo-disciplinar-para-nove-policias-por-incidentes-na-cova-da-moura-4666582.html>

Sábado, "Sobrelotação nas cadeias ultrapassa os dois mil presos," 11/2/2015, available online at: [http://www.sabado.pt/portugal/detalhe/estabelecimentos\\_prisionais.html](http://www.sabado.pt/portugal/detalhe/estabelecimentos_prisionais.html)

Political Liberties  
Score: 9

Under the regime that ruled Portugal until 1974, there were virtually no political liberties. The basic goal of the political transition was to achieve and to guarantee political liberties. Portugal has been relatively successful in this regard, and there are widely agreed upon political liberties. The basic legislation in the constitution, and subsequent regular legislation, guarantees these political liberties. They function reasonably well.

Non-discrimination  
Score: 7

State policies seek to redress discrimination, and cases of overt discrimination are rare. Nevertheless, three areas of concern remain:

1). Discrimination against women with regard to wages continues, although it is below the EU average. While the gender pay gap fell in 2013 (the latest year for which Eurostat data is available), it must be noted that Portugal's recent pattern is of a rising pay gap, with the unadjusted gender gap increasing from 8.4% in 2006 to 14.8% in 2012, before dropping to 13% in 2013. This trend contrasts with the relative stability in the EU as a whole..

2). With regard to racial discrimination, the 2014 U.S. Department of State Report on Human Rights Practices again noted patterns of institutional and societal discrimination against the Roma.

3). While access to public buildings for disabled people is mandated by law and enforced, according to the 2014 U.S. Department of State Report on Human Rights Practices, the same is not true of private facilities and businesses, for which there is no legislation mandating disabled access.

Citation:

Eurostat, Gender pay gap in unadjusted form, available online at: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tsdsc340&plugin=1>

US Department of State, Bureau of Democracy, Human Rights and Labor. "Country Reports on Human Rights Practices for 2014 - Portugal," available online at: <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?year=2014&dclid=236566>

### Rule of Law

Legal Certainty  
Score: 7

Portugal is an extremely legalistic society, and its legislation is prolix and complex. In combination with pressure for reform arising from Portugal's bailout and economic crisis, this causes some uncertainty as to what legislation will be applied, and how. This is best exemplified by some of the legal measures that the government proposed in its 2012, 2013 and 2014 budgets, which were subsequently deemed to be unconstitutional by the Constitutional Court. The accord Portugal signed with the EC-ECB-IMF Troika included a "reform of the state" to reduce public funding for various programs. Therefore, a number of what were legally predictable programs, including in the health, transport and education sectors, are very likely to change as their funds are cut.

Judicial Review  
Score: 8

The judicial system is independent and is very active in ensuring that the government conforms to the law. Indeed, the high degree of judicial intervention continued in 2014 and 2015, with the Constitutional Court deciding a number of measures against the government, such as allowing 35-hour weeks to be implemented in municipalities without central-government consent and overturning the teacher-assessment exams, as noted above. In addition to the Constitutional Court, there are a number of other courts.

The highest body in the Portuguese judicial system is the Supreme Court constituted by four Civil Chambers, two Criminal Chambers, and one Labor Chamber. There is also a Disputed Claims Chamber, which tries appeals filed against the decisions issued by the Higher Judicial Council. The Supreme Court determines appeals on matters of law and not on the facts of a case, and has a staff of 60 justices (Conselheiros). There are also district courts, appeal courts, and specialized courts plus a nine-member Constitutional Court that reviews the constitutionality of legislation. In addition, there is the Court of Auditors (Tribunal de Contas). This is a constitutionally prescribed body, and is defined as a court in the Portuguese legal system. It audits public funds, public revenue and expenditure, and public assets, with the aim of ensuring that "the administration of those resources complies with the legal order." The Court of Auditors is active in auditing and controlling public accounts. In total, there are more than 500 courts in Portugal and 3,000 judges. Even so, there are shortages of judges in relationship to the number of cases and the delays in reaching judicial decisions are a problem.

Appointment of  
Justices  
Score: 9

The High Council of the Public Prosecution Department (Conselho Superior do Ministério Público), which oversees the appointment of judges, consists of

Corruption  
Prevention  
Score: 7

19 members, including the attorney general (Procurador-Geral da República). In October 2012, Portugal appointed its first female attorney general, Joana Marques Vidal, who remains in office.

Under Portuguese law, abuse of position is prohibited and criminalized. However, as elsewhere, corruption persists despite the legal framework. A 2012 assessment of the Portuguese Integrity System by the Portuguese branch of Transparency International concluded that the “political, cultural, social and economic climate in Portugal does not provide a solid ethical basis for the efficient fight against corruption,” and identified the political system and the enforcement system as the most fragile elements of the country’s integrity system. This assessment is corroborated by the Transparency International’s 2014 Corruption Perceptions Index, which placed Portugal 33rd worldwide – the same rank as the previous year. It must be noted, however, that Transparency International’s ratings are based on perceptions by the population, and are thus entirely subjective.

A law was approved by the Assembly of the Republic in September 2011 on the illicit enrichment of public officeholders. However, this legislation was deemed unconstitutional by the Constitutional Court in April 2012. While practically all the parties that voted for the legislation declared that they would bring new legislation on this issue, no new legislation had been approved by the end of the review period.

Efforts have been made at the state level to impede corruption, although there remains room for improvement in terms of the implementation of anti-corruption plans. A survey by the Council for the Prevention of Corruption, published in June 2015, noted that half of the country’s public entities admitted to having applied only parts of their corruption-prevention plans. The reasons given were largely related to a lack of human, technical and financial resources.

It should also be noted that a number of high-profile corruption cases were pursued during the period under review. Former Prime Minister (2005 – 2011) José Sócrates was put under house arrest after spending 10 months in jail awaiting trial for alleged corruption, money laundering, and tax fraud. Likewise, a number of top public officials – including the head of the immigration and border service – have been detained due to suspicions of corruption in the granting of visas.

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Maria Lopes (2015), “Entidades públicas têm de reforçar planos de prevenção da corrupção,” Público online, 15/06/2015, available online at: <http://www.publico.pt/politica/noticia/entidades-publicas-tem-que-reforçar-planos-de-prevencao-da-corrupcao-1699049>

# Governance

## I. Executive Capacity

### Strategic Capacity

Strategic Planning  
Score: 5

Portugal's Memorandum of Understanding (MoU) with the Troika, covering the 2011 – 2014 period, strictly limited opportunities for strategic planning. Even during the post-MoU period under review here (November 2014 – November 2015), the pressure to decrease the public deficit, combined with the fact that it was an election year, resulted in virtually no changes with regard to strategic capacity. While strategic planning is pursued with regard to finances and in the economy more generally, this was severely limited by the terms of the MoU and by negotiations with Portugal's international lenders, as well as the continuing commitment to decrease the public deficit. For example, there continue to be expert groups and offices consisting of government employees and outside experts formulating policies, such as the Departamento de Prospectiva e Planeamento de Ministério do Ambiente, do Ordenamento do Território e Desenvolvimento Regional; the Direcção Geral de Estudos, Estatística, e Planeamento (concerning employment); and the Gabinete de Estudos das Pescas. Most ministries have some kind of office or group dedicated to strategic planning. These occasionally exert some (limited) influence. However, under the ongoing deficit-reduction pressure, strategic planning is even less evident than it was prior to the bailout.

Scholarly Advice  
Score: 5

The government utilizes academic experts for research on a wide variety of topics and to implement strategic development. However, they are largely used on an ad-hoc basis, and without a systematic pattern of academic consultation in place.

### Interministerial Coordination

GO Expertise  
Score: 6

The Prime Minister's Office (PMO) has limited policy expertise. While it is able to assess bills, it lacks in-depth policy assessment capabilities within most policy areas. With the bailout terms and the achievement of budgetary targets

	<p>taking a paramount role in the 2011 – 2014 period, a situation that continued through November 2015, the assessment of policy has largely centered on budgetary implications, notably in terms of reducing costs and/or increasing revenue. To this end, the Ministry of Finance plays a central role in the assessment of policy proposals alongside the PMO.</p>
<p>GO Gatekeeping Score: 8</p>	<p>The Prime Minister’s Office (PMO) is able to return proposed legislation on the basis of policy considerations. However, due to the terms of the MoU and related policy priorities that continued through the end of the review period, its de facto power to return legislation has been constrained. The priority given to budgetary consolidation has meant that the Ministry of Finance has seen its power increase, giving it a de facto veto power over policy. While it does not officially hold this power, its powers have increased due to its influence over any policy with financial implications.</p>
<p>Line Ministries Score: 7</p>	<p>The Prime Minister’s Office (PMO) is regularly briefed on new developments affecting the preparation of policy proposals.</p>
<p>Cabinet Committees Score: 6</p>	<p>Most ordinary meetings of the Portuguese cabinet – the Council of Ministers – are used for policy decisions rather than strategic policy debates. More political issues and strategic policy considerations are by-and-large prepared by the Council’s inner core of a few ministers, augmented by other ministers and staff when required. However, as the economic crisis deepened – and with a coalition government in office – the committee meetings are increasingly failing to settle all issues prior to Council meetings.</p>
	<p>Citation: <a href="http://www.sg.pcm.gov.pt/media/8376/pa_2015_site.pdf">www.sg.pcm.gov.pt/media/8376/pa_2015_site.pdf</a></p>
<p>Ministerial Bureaucracy Score: 9</p>	<p>Since the mid-1980s, cabinet meetings have been prepared in advance by senior ministry officials such as junior ministers or director-generals (who are also political appointees), depending on the issue. Under the MoU and the subsequent continuing conditions of budgetary constraint, this coordination has been carried out in conjunction with the Ministry of Finance. This entity closely monitors all expenditure.</p>
<p>Informal Coordination Score: 6</p>	<p>Informal coordination mechanisms are central to government functioning and coordination. The horizontal informal links between ministries help compensate for the absence or rigidity of formal horizontal linkages. Informal coordination became all the more relevant in the current period, as the government was composed of a coalition between two parties. However, problems of informal coordination identified in the previous report were largely absent in this period as the two coalition parties prepared for an election in which they presented a joint list.</p>

### Evidence-based Instruments

RIA Application  
Score: 4

In 2014, Portugal adopted two RIA instruments – the small and medium-sized enterprise test (“PME test” in Portuguese), intended to evaluate the impact of legislation on SMEs and the “one-in, one-out” or “Comporta Regulatória” rule designed to compensate citizens or companies for new costs resulting from the new legislation. Both were passed into law (no. 72/2014) on 13 May 2014.

However, implementation of these instruments has lagged considerably. Despite the passage of the law in 2014, the Council of Ministers only formally decided to implement the SME test in April 2015. Likewise, existing evidence indicates that the “one-in, one-out” rule remained largely unimplemented during review period.

For this reason, it appears there has been little substantive change in this area in comparison to previous assessments, with virtually no systematic and formalized RIA process in place. All available evidence indicates that policy is adopted with only superficial assessment of its potential impact. However, there appears to be a somewhat greater recognition of the importance of RIA instruments, even if these are not yet actually applied.

Citation:

Decreto Lei 72/2014, de 13 de Maio, available online at: [http://www.ama.pt/documentacao/AMA\\_SAMA\\_2020/DL74\\_2014.pdf](http://www.ama.pt/documentacao/AMA_SAMA_2020/DL74_2014.pdf)

Jornal de Negócios (2015), “Legislação vai ser submetida ao ‘teste PME’,” 2/4/2015, available online at: [http://www.jornaldenegocios.pt/empresas/pme/detalhe/legislacao\\_vai\\_ser\\_submetida\\_ao\\_teste\\_pme.html](http://www.jornaldenegocios.pt/empresas/pme/detalhe/legislacao_vai_ser_submetida_ao_teste_pme.html)

CAP, CCP, CIP & CTP (2015), “Comunicação dos inventários,” available online at: <http://www.otoc.pt/fotos/editor2/cartaconfed.pdf>

Quality of RIA  
Process  
Score: 2

As noted above, systematic RIA does not exist in Portugal. Stakeholder participation does generally take place, albeit inconsistently and without full participation by all relevant stakeholders. Impact-assessment results are generally not made publicly available or systematically communicated. There are no evaluations of impact-assessment quality rendered by independent bodies.

Sustainability  
Check  
Score: 3

Sustainability checks are not integrated systematically into impact assessments. They may take place in some impact assessments but not in others, in a rather ad hoc fashion that depends on who is carrying out the impact assessment. The same is the case with regard to the indicators that sustainability draws on, as well as the temporal dimension of the analysis.

### Societal Consultation

Negotiating Public  
Support  
Score: 4

The government does consult with some societal actors. For example, the Social and Economic Council (Conselho Económico e Social, CES) serves as a constitutional body for consultation and social concertation. Within the CES, there is a Standing Committee on Social Concertation (Comissão Permanente de Concertação Social, CPCS) that brings together the government, employer associations and trade unions. The CES and the CPCS continued to hold regular discussions during the period under review. This is clear in the CES' plan of activities and in their press releases. However, as noted in the two previous SGI reports, since mid-2012 there has been a gradual weakening of the government's ability to generate support, particularly as austerity measures have advanced.

During the period under review, Silva Peneda resigned as president of the CES in May 2015 in order to take up a position in Brussels. In a letter written to the president of the parliament, Peneda noted a number of concerns regarding the functioning of the CES.

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See the CES Plan of Activities for the period under consideration at [www.ces.pt/.../PLANO%DE%ACTIVIDADES%20CES%202015\\_re](http://www.ces.pt/.../PLANO%DE%ACTIVIDADES%20CES%202015_re)  
Cristina Oliveira da Silva (2015), "Silva Peneda 'preocupado' com 'regular funcionamento' do CES," *Diário Económico*, 18/3/2015, available online at: [http://economico.sapo.pt/noticias/silva-peneda-preocupado-com-regular-funcionamento-do-ces\\_214203.html](http://economico.sapo.pt/noticias/silva-peneda-preocupado-com-regular-funcionamento-do-ces_214203.html)

### Policy Communication

Coherent  
Communication  
Score: 6

The government's communication strategy improved during the reporting period, with the government avoiding substantial communication mishaps. This was in part aided by the stabilization of austerity policies, though the fact that it was an election year also appears to have been important in ensuring more effective communications.

In June 2015, the government abolished the Secretariat of Social Communication and integrated its functions into a reorganized General Secretariat of the Presidency of the Council of Ministers, into the regional commissions for regional development, and into the Agency for Development and Cohesion.

### Implementation

Government  
Efficiency  
Score: 6

The XIX constitutional government that took office on 21 June 2011 following the 5 June legislative elections, and which continued to hold office throughout the period under review, had a governance program largely derived from the

goals and targets of the MoU. This was true both before the end of the bailout program in May 2014 and afterward.

The European Council and European Commission reviewed Portugal's economic performance in 2015, with each body making positive observations as well as many negative ones.

It should be clear that the priorities of the government during the review period were in fact the priorities of the European Union. While Portuguese government policy represented one element of successful implementation in this regard, other factors were also relevant, including the health of the global economy, global interest rates, and alternative investment opportunities. In addition, as Portugal is a democracy, and any government must take into consideration the dynamics of political parties and organizations in civil society, there are limitations to the scope of policy implementation.

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[http://ec.europa.eu/economy\\_finance/eu/countries/portugal\\_en.htm](http://ec.europa.eu/economy_finance/eu/countries/portugal_en.htm)

Ministerial  
Compliance  
Score: 7

The organization of and power relations in the parliamentary/cabinet system ensure that ministers have incentives to implement the government's program. This was further reinforced by the stipulations of the Memorandum of Understanding (MoU) and the fact that Portugal was operating under the terms of a bailout until May 2014, and continued its austerity policies through the period under review here.

That said, the government faced additional challenges both as a result of being a coalition and due to the effects of the upcoming parliamentary elections on 4 October 2015. Moreover, the internal organization of the government appears to have made implementation more difficult. The government had only 13 ministries, leading to the aggregation of previously extant ministries into "super ministries." It appears that these super ministries – in crucial domains such as the economy, employment and environment – made it difficult to ensure complete implementation.

Monitoring  
Ministries  
Score: 7

The government in the period under review was relatively small, with 13 ministries, 37 secretaries of state and one undersecretary of state. Ministries in Portugal are not independent of the prime minister. The prime minister is also assisted by the Presidência do Conselho dos Ministros. The Prime Minister's Office (PMO) can thus monitor implementation activities of all line ministries. However, the lack of in-depth policy capacity within the PMO constrains the overall degree of control. While the terms of the MoU increased overall monitoring, it also means that monitoring was stronger in some dimensions (notably in financial aspects) rather than considering all policies or policy dimensions.

Monitoring  
Agencies,  
Bureaucracies  
Score: 8

Portugal has seen a proliferation of quasi-autonomous nongovernmental organizations and other structures in addition to an already complex direct administrative structure since the 1990s. These structures have often been left with little in the way of ex post monitoring. However, in the context of the bailout and the need to reduce public expenditure, the government has increased its scrutiny of the operation of these non-governmental organizations as well as the state administration. However, this interest is fundamentally centered on financial and budgetary aspects rather than the implementation of policy per se.

Task Funding  
Score: 6

Portugal, unsurprisingly given its extremely small size, is one of the most centralized countries in Western Europe, with autonomous self-governing areas in the island regions of the Azores and Madeira. A total of 308 municipalities represent the main subnational level of government. OECD figures for 2012 (the latest available on the subject) show Portugal to have among the group's lowest relative levels of subnational public expenditure, whether as a percentage of total public expenditure (12.7%) or of GDP (6%). These are the fifth-lowest levels within the OECD, higher only than Luxembourg, Turkey, Ireland and Greece.

The subnational sector has long been burdened with increasing debts, and a number of municipalities have needed the support of the Municipal Support Fund (Fundo de Apoio Municipal, FAM), which requires beneficiaries to undergo an adjustment program. During the period under review, five municipalities were supported by the FAM, the largest of which was Aveiro.

In the period under review, in which austerity served as a central factor in all government decisions, including its relations with subnational entities, the government decentralized somewhat in the areas of health and education. However, resources remain scarce.

Citation:  
[www.portalautarquico.pt=PT/financas-locais/transferencias/freguesias](http://www.portalautarquico.pt=PT/financas-locais/transferencias/freguesias)

OECD (2013), "OECD Regions at a Glance 2013 Subnational government expenditure as a % of total public expenditure and as a % of GDP, 2012," available online at: [http://www.keepeek.com/Digital-Asset-Management/oecd/urban-rural-and-regional-development/oecd-regions-at-a-glance-2013/subnational-government-expenditure-as-a-of-total-public-expenditure-and-as-a-of-gdp-2012\\_reg\\_glance-2013-graph89-en#page1](http://www.keepeek.com/Digital-Asset-Management/oecd/urban-rural-and-regional-development/oecd-regions-at-a-glance-2013/subnational-government-expenditure-as-a-of-total-public-expenditure-and-as-a-of-gdp-2012_reg_glance-2013-graph89-en#page1)

Público (2015), "Cinco municípios vão receber ajudas de 95 milhões de euros," 2/9/2015, available online at: <http://www.publico.pt/local/noticia/cinco-municipios-vao-receber-ajudas-de-95-milhoes-de-euros-1706699>

Constitutional  
Discretion  
Score: 5

Formally, the central government enables subnational governments to make full use of their constitutional scope of discretion with regard to implementation. However, subnational governments do not have their own

sources of revenue, instead being dependent on central-government transfers. This means that the central government generally has considerable control. This control increased with the bailout, and continues to be substantial afterward as the country seeks to reach the euro zone deficit targets. For example, the central government has imposed its own conditionalities on the Madeira regional government, as well as on municipalities that have requested central-government help. However, much the same is true of municipalities that did not seek a central-government bailout, as the increasing tightening of financial expenditure has resulted in budget cuts for programs that involved partnerships between central and local governments.

National Standards  
Score: 6

National standards are largely uniformly applied, albeit as a result of the control and provision of most public services by the central government. There are, however, differences between municipalities in some services, such as infrastructure, culture and extracurricular educational offerings.

### Adaptability

Domestic  
Adaptability  
Score: 7

The European Union is extremely important to Portugal in all respects. Since joining the European Economic Community (EEC) in 1986, Portugal has become an integral part of Europe with all the implications arising from integration into a huge variety of legal and organizational frameworks. While the government of Portugal has not yet applied all of the EU laws and regulations, it is increasingly adopting EU policies. Obviously, since Portugal is part of the European Union, and dependent upon it for funds and trade, the country has had to adapt its structures accordingly.

International  
Coordination  
Score: 7

Although Portugal is small, relatively poor, and not very influential as a nation, it is a member of the European Union, the Organization for Security and Co-operation in Europe, the Council of Europe, NATO, OECD, the World Trade Organization, the Community of Portuguese Language Countries (Comunidade dos Países de Língua Portuguesa, CPLP), among other groups. It works with other nations through these organizations to develop policies. Given the country's size and importance, it collaborates quite effectively in shaping and implementing collective efforts to provide global public goods.

### Organizational Reform

Self-monitoring  
Score: 5

The overwhelming concern between 2011 and May 2014 was to apply the MoU and seek budgetary consolidation. As noted previously, the policies contained in the MoU were largely retained after its end in May 2014, continuing through the period assessed here (November 2014 – November 2015). This means that monitoring resources were primarily allocated to the

implementation of measures in the MoU; demonstrating results to (and, when necessary, negotiating with) the international partners; and monitoring public administration expenditure. Beyond this area, there were no substantial measures concerning monitoring of institutional arrangements implemented over this period, and there is little evidence of de facto monitoring of institutional governing arrangements. What little occurs appears to be reactive to political crises or challenges.

While the government has spoken of the need to “reform the state,” and indeed produced a 98-page plan outlining its intentions in this area, there was little implementation of this plan during the review period – again, reflecting to a substantial degree the fact that it was an election year.

Citation:

For the overall government plan see the government’s 98 page plan for reform of the state *Um Estado Melhor*. Final Version approved by the Conselho de Ministros on 8 May 2014.

Institutional  
Reform  
Score: 5

There is no evidence of the government changing institutional arrangements to improve strategic capacity during the period under review. The dominant goal during the period was budgetary consolidation. The government has had little flexibility to consider changes in institutional arrangements. What changes have taken place appear to have had at best no impact on strategic capacity.

## II. Executive Accountability

### Citizens’ Participatory Competence

Policy Knowledge  
Score: 5

The economic recession and the bailout increased – or at least averted a decline in – citizens’ attention to and interest in policy matters. The proximity of an election during the review period is also likely to have contributed to political interest. In a Eurobarometer survey carried out in May 2015, 55% of respondents in Portugal had a “strong” or “medium” level of interest in politics, a five-percentage-point increase vis-à-vis a similar survey in June 2014.

However, this greater demand for policy knowledge does not appear to translate into a corresponding increase in actual knowledge, with policy knowledge remaining limited and unevenly distributed. The factors that limit citizens’ policy knowledge include: insufficient and partial explanation of policy by the government; partial and insufficient explanation of policy alternatives by the opposition; the media system tends to focus more on short-

term issues and scandals than on in-depth policy analysis; presentation of policy in terms that tend to be exclusionary for most citizens; and a weak civil society that is unable to socialize and educate citizens on policy issues.

All this was reflected in the campaigns leading up to the 4 October 2015 legislative elections, which were marked by a weak and generally superficial presentation and coverage of policy issues. This may help explain why official turnout fell slightly in the 2015 elections, though some estimates argued that it in fact increased marginally if the technical abstention noted in the “Voting and Registration Rights” section is taken into account.

Citation:

European Commission (2014), “Standard Eurobarometer 81 - Spring 2014,” available online at: [http://ec.europa.eu/public\\_opinion/archives/eb/eb81/eb81\\_anx\\_en.pdf](http://ec.europa.eu/public_opinion/archives/eb/eb81/eb81_anx_en.pdf)

European Commission (2015), “Standard Eurobarometer 83 - Spring 2015,” available online at: [http://ec.europa.eu/public\\_opinion/archives/eb/eb83/eb83\\_anx\\_en.pdf](http://ec.europa.eu/public_opinion/archives/eb/eb83/eb83_anx_en.pdf)

Pedro Crisóstomo & Maria Lopes (2015), “Emigrantes registados nos cadernos eleitorais distorcem números da abstenção,” Público online (11/10/2015), available online at: <http://www.publico.pt/politica/noticia/emigrantes-registados-nos-cadernos-eleito-rais-distorcem-numeros-da-abstencao-1710762?page=-1>

### Legislative Actors’ Resources

Parliamentary  
Resources  
Score: 6

The Assembly of the Republic does have a very robust committee structure composed of standing and ad hoc committees, as well as committees to assess implementation of the Plano do Governo and the Orçamento de Estado. Moreover, it can call members of the executive to explain issues and has some degree of autonomy in terms of its budget allocations. However, there remains a substantial lack of expert support staff. Members of the Assembly do not generally have their own staff, and in most but not all cases, have little ability to rely on expert support. As such, the Assembly’s capacity to monitor government activity is mainly contingent on the legislators’ own expertise.

Obtaining  
Documents  
Score: 6

The government is obliged to respond within 30 days to requests for information from the Assembly of the Republic. While there is no data on how it responds specifically to requests from parliamentary committees, delivery of information to requests from members of parliament can be untimely or incomplete. During the fourth legislative session of the XII legislature, held largely during the period here under analysis (from 15 September 2014 to 22 July 2015), parliamentarians issued 2,897 questions, of which only 40% (1,163) were answered. This continues a pattern of decline vis-à-vis previous legislative sessions (85% of questions answered in the first session of 2011 – 2012; 73% in the second session of 2012 – 2013; and 58% in the third session of 2013 – 2014). The same pattern emerges with regard to requests for

documents from the government and central administration, with a respective 58%, 59% and 44% of these requests answered in the first three sessions, but the rate falling to just 13% in the fourth session.

As noted in previous reports, this response rate does not appear to reflect a deliberate attempt to conceal information from the Assembly. However, aside from the lack of institutional capacity noted in previous reports, this decline also suggests a growing disinterest as the legislature progressed. In general, it is likely that committee requests are answered more promptly and fully than those made by individual legislators

Citation:

Divisão de Informação Legislativa e Parlamentar, Assembleia da República, “Atividade Legislativa - XII Legislatura, 1ª Sessão Legislativa,” available online at: [http://www.parlamento.pt/atividadeparlamentar/documents/estatisticas\\_atividade\\_parlamentar\\_xiileg/atividadelegislativa\\_xii\\_1\\_\(14092012\).pdf](http://www.parlamento.pt/atividadeparlamentar/documents/estatisticas_atividade_parlamentar_xiileg/atividadelegislativa_xii_1_(14092012).pdf)

Divisão de Informação Legislativa e Parlamentar, Assembleia da República, “Atividade Legislativa - XII Legislatura, 2ª Sessão Legislativa,” available online at: [http://www.parlamento.pt/atividadeparlamentar/documents/estatisticas\\_atividade\\_parlamentar\\_xiileg/atividadelegislativa\\_xii\\_2.pdf](http://www.parlamento.pt/atividadeparlamentar/documents/estatisticas_atividade_parlamentar_xiileg/atividadelegislativa_xii_2.pdf)

Divisão de Informação Legislativa e Parlamentar, Assembleia da República, “Atividade Legislativa - XII Legislatura, 3ª Sessão Legislativa,” available online at: [https://www.parlamento.pt/AtividadeParlamentar/Documents/Estatisticas\\_Actividade\\_Parlamentar\\_XIIILeg/AtividadeLegislativa\\_XII\\_3.pdf](https://www.parlamento.pt/AtividadeParlamentar/Documents/Estatisticas_Actividade_Parlamentar_XIIILeg/AtividadeLegislativa_XII_3.pdf)

Divisão de Informação Legislativa e Parlamentar, Assembleia da República, “Atividade Legislativa - XII Legislatura, 4ª Sessão Legislativa,” available online at: [https://www.parlamento.pt/AtividadeParlamentar/Documents/Estatisticas\\_Actividade\\_Parlamentar\\_XIIILeg/AtividadeLegislativa\\_XII\\_4.pdf](https://www.parlamento.pt/AtividadeParlamentar/Documents/Estatisticas_Actividade_Parlamentar_XIIILeg/AtividadeLegislativa_XII_4.pdf)

Summoning  
Ministers  
Score: 9

Ministers must be heard at least four times per legislative session in their corresponding committee. Additionally, committees can request ministers to be present for additional hearings. A committee request requires interparty consensus. However, each parliamentary group may also unilaterally request ministerial hearings. These vary from one to five per session, depending on the size of the parliamentary group. Ministers accede to requests for their attendance at hearings.

Summoning  
Experts  
Score: 9  
Task Area  
Congruence  
Score: 9

Parliamentary committees are generally free to request the attendance of experts at committee meetings.

In the XII legislature (which began in June 2011 and continued until 23 October 2015, when the new deputies elected on 4 October 2015 took office) there were 12 permanent committees, which roughly matches the number of ministers (13) in the government. That is not to say there is a direct correspondence – indeed, some committees monitor more than one minister – but ministries and ministers were monitored. The Assembly of the Republic created a special committee – the Comissão Eventual para Acompanhamento

das Medidas do Programa de Assistência Financeira a Portugal – specifically to monitor Portugal’s ongoing implementation of the terms of the Memorandum of Understanding (MoU). This committee was eliminated in September 2014, after the end of the bailout period.

Audit Office  
Score: 4

The Tribunal de Contas or Supreme Audit Office (SAO) is totally independent of the Assembly of the Republic and the executive. It is part of the judicial system, on an equal level with the rest of the judicial system. However, while not accountable to the Assembly, it must report to it regularly.

Ombuds Office  
Score: 2

Portugal does not have a parliamentary ombudsman. However, there is a judicial ombudsman (Provedor de Justiça), which is situated in the judicial system. It serves as the advocate for citizens’ interests.

### Media

Media Reporting  
Score: 6

The period under review was marked by an increase in investigative reporting, with journalists uncovering an alleged social-security debt by the then-serving prime minister, as well as reporting on the cases of José Sócrates and the visa-corruption scandal referred to in the “Corruption Prevention” section.

However, there continues to be a lack of systematic in-depth policy analysis. Policy analysis is usually delegated to expert commentators, with little or no journalistic work performed on policy issues.

In the previous SGI report, we noted the large amount of commentary time allotted to former politicians, particularly on television, a pattern that generates potential conflict-of-interest questions and does not seem to have contributed to improving the quality of policy analysis. Perhaps the most salient example of the confluence between politicians and television during the review period was provided by Marcelo Rebelo de Sousa, a former leader of the PSD and Portugal’s most popular TV commentator. De Sousa held a regular slot in the main evening news every Sunday on the TVI channel, and announced in October 2015 that he would run for president in the January 2016 presidential elections.

### Parties and Interest Associations

Intra-party  
Democracy  
Score: 5

A total of seven parties, running in five lists, won seats in the parliamentary elections held on 4 October 2015. These included the Social Democratic Party (Partido Social Democrata, PSD) and Democratic and Social Center/Popular Party (CDS-Partido Popular, CDS-PP), which ran together as the Portugal Ahead (Portugal à Frente, PAF) alliance. This won 38.5% of the vote and 107 seats, of which 89 were allocated to the PSD and 18 to the CDS-PP. The Socialist Party (Partido Socialista, PS) received 32.4% of the vote, and 86

seats. The Left Bloc (Bloco de Esquerda, BE) won 10.2% and 19 seats. The Unitarian Democratic Coalition (Coligação Democrática Unitária, CDU), which included the Portuguese Communist Party (Partido Comunista Português, PCP) and the Ecologist Party “The Greens” (Partido Ecologista “Os Verdes,” PEV) took 8.3% of the vote and 17 seats, which resulted in 15 for the PCP and two for the PEV. Finally, the People-Animals-Nature party (Pessoas-Animais-Natureza, PAN) won 1.4% and one seat.

Of these seven parties, only three gained more than 10% of the vote in the 4 October 2015 legislative elections: the PSD, the PS and the BE.

Both the PS and PSD hold direct elections of their party leadership by party members and have congresses whose delegates are also elected by party members. However, with regard to policy issues and candidates other than the party leader, the rank-and-file members have little say. Instead, decisions are largely made by the party leadership, which – depending on the internal balance of power – may have to negotiate with the leaders of opposing internal factions.

During the period under review, the PS approved (in January 2015) new statutes that would allow primary elections to choose political candidates and would let registered party sympathizers (not just members) to vote to choose the party leader. While current party leader António Costa gained the party leadership as a result of a primary election, this technique was not used to select candidates for the 2015 legislative elections.

The BE elects delegates that convene at the party’s national convention to elect a 79-member national committee called “Mesa Nacional,” which is elected proportionally. The Mesa Nacional then votes for the party’s 18-member Political Commission and six-member Permanent Commission. Until the IX party convention held in November 2014, the BE had two national coordinators within the permanent commission. After this convention, the party returned to the model of a single coordinator, in this case Catarina Martins (the only female party leader among Portugal’s main parties). Within the BE, internal factions tend to be more ideological than in other parties (as the run-up to the IX convention illustrated). To some extent, this reflects the different parties that came together to form the BE in the late 1990s. It would also appear that party members have more interest and participation in policy choices, though there the number of active party members is small, meaning that the rank-and-file is relatively close to the party leadership. For instance, just 2,653 party members voted to elect the 617 delegates to the IX convention, producing a ratio of rank-and-file members to delegates of approximately 4:1.

While only these three parties met the 10% criteria in recent legislative elections, two other parties are potentially relevant within Portugal's political landscape: the Portuguese Communist Party (Partido Comunista Português, PCP) and the CDS-PP. These are also marked by a high degree of centralization in their national-level internal decision-making. The former abides by the rules of democratic centralism. The latter is characterized by a small rank-and-file base, with a great deal of power placed in the hands of the party leader, who has led the party for 15 out of the last 17 years.

Association  
Competence  
(Business)  
Score: 4

A few employers' associations and trade unions are capable of formulating relevant policies. However, their proposals are largely reactive to government measures rather than being proactive in setting policy debate. While employers and trade unions have both expressed dissatisfaction at some austerity measures, these are generally reactions to specific government measures rather than ex ante and overall policy proposals.

Association  
Competence  
(Others)  
Score: 4

In the context of the economic crisis and continued austerity, there has been a reduction in the impact of non-economic interest associations. Over the past year, the government maintained its focus on budgetary consolidation, almost wholly shutting civil-society movements out of the policymaking process. Additionally, the overwhelming focus on economic issues meant that proposals by established groups engaged with other issues attracted less visibility than in previous years (e.g., proposals by the environmental group Quercus). Interaction with associations appeared to be largely instrumental and related to political objectives (e.g., the devolution of welfare responsibilities to private institutions of social solidarity) rather than policy-based.

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