



Portugal Report

Thomas C. Bruneau, Carlos Jalali,
César Colino (Coordinator)

Sustainable Governance Indicators 2018

©vege - stock.adobe.com

Executive Summary

The period under analysis here provides seemingly contradictory evidence with regard to governance in Portugal.

On one reading, we could say that Portugal performed spectacularly during the review period. The budget deficit was reduced to 2% of GDP, the lowest level since democratization. The European Commission closed the country's excessive deficit procedure, which had been open since 2009. Conditions of austerity have been gradually, if not yet wholly, alleviated. Portugal has increasingly become a poster child for the success of post-bailout policies within the EU. The economy has been growing, boosted by exports and tourism. Unemployment rates have fallen to single digits. The country has become increasingly attractive to the tech sector, a fact expressed by its ability to play host to the 2016 and 2017 Web Summits. All this is symbolically reflected in the country's growing international popularity, as seen in the host of foreign companies and individuals – including many celebrities – that moved to Portugal during this period.

On the political side, António Costa's minority government has proved stable, while also showing itself able to bring the parties to its left – the Left Bloc (Bloco de Esquerda, BE), the Communist Party (Partido Comunista Português, PCP) and the Green Party (Partido Ecologista os Verdes – PEV) – into a governing alliance that had hitherto seemed impossible. This has led to increasing international interest in the Portuguese political solution – the “geringonça” (or “contraption”), as this government has been dubbed. Moreover, the period was marked by a largely collaborative dynamic between the government and the very popular president of the republic, Marcelo Rebelo de Sousa, despite the latter's membership in the center-right Social Democrat Party (Partido Social Democrata, PSD).

The above elements would suggest an overwhelmingly positive assessment regarding Portugal's governance. However, this period was also marked by events that underline the country's historic governance weaknesses. In particular, the country was rocked by devastating and deadly forest fires; one fire in June caused some 65 deaths, and a second set in October led to a further 45 deaths. These fires, along with the faulty civil-protection response that allowed so many deaths – many of which, it transpired, could have been

avoided – reflected a host of deficiencies that have been present in Portuguese governance for decades, including weak strategic planning, a lack of coordination, weak supervision and implementation of public policies, frequent changes in the law, and the lack of a stable policy framework. In June and October, these deficiencies came home to roost. These same governance weaknesses helped facilitate the theft of military equipment from the Tancos military base in late June (although this situation was resolved in October thanks to an anonymous tip that led to the retrieval of virtually all the lost material).

Overall, the period highlights the dual nature of development in Portugal. While some sectors are modernizing, others remain neglected until a tragedy occurs, as with the forest fires of June and October 2017.

Thus, while some positive changes in Portugal have been evident in this period, notably with regard to economic aspects in general and budgetary ones more specifically, these coexist with persistently low scores in governance dimensions pertaining to policy formulation. The regulatory impact assessment framework remains weak, as does the strategic component of decision-making and efforts to monitor institutional governing arrangements; moreover, there has been little systematic effort to improve strategic capacity by making changes to these institutional arrangements. As in the past, this weak capacity is likely to affect the quality and impact of new and existing policies. The Costa government program does include a number of measures regarding governance-quality improvement, and some initial steps have been taken in this area. The question is whether this government will be able to deliver in a domain where so many predecessors have promised more than they achieved in terms of state reform.

Key Challenges

To begin, we must note that there are four challenges common to many other comparatively new democracies that are not a problem in Portugal.

1. Migrants and refugees: Portugal remains outside the routes taken by the large populations of migrants and refugees currently leaving Africa, the Middle East and South Asia. Even so, the country has accepted more than 1,500 refugees since the end of 2015, the fifth-highest level in the European Union.

2. Portugal does not have the problem with Islamic terrorist radicalization (jihadists) that has been experienced by several other countries in the European Union, including neighboring Spain in August 2017. Its (small) Islamic community is generally well integrated and a participant in the country's strong interfaith dialog. Indeed, President Marcelo's inauguration in March 2016 included an interfaith ceremony held at Lisbon's mosque.

3. Unlike a number of other European countries and the United States, Portugal has not seen the rise of populist, anti-system parties (or major political figures, as in the case of the current U.S. president) either on the right or the left of the political spectrum.

4. Unlike several other comparatively new democracies, there are no pending issues (e.g., the elimination of "prerogatives") currently causing friction in civil-military relations, .

However, four real challenges do exist.

A first challenge will be to ensure that budgetary consolidation persists into the future. The excessive deficit procedure that was closed in 2017 was the third such for the country since 2002. In each of the preceding two cases, a new excessive deficit procedure was opened within less than two years of the preceding one closing. This risk is compounded by the high level of public debt; at 130.1% of GDP in 2016, this is the third-highest such ratio within the EU. Barring relief, bringing this debt under control will require an unprecedented sustained effort over many years. An April 2017 forecast by the Portuguese government estimated that debt would decline to 60% of GDP in 2032, some 14 years earlier than its previous estimation in the 2016 budget. However, this earlier date will continue to require an unprecedented degree of effort to sustain budgetary consolidation over a long time span, and across international and domestic economic and political cycles.

A second and related challenge in the short- and medium-term will be to reconcile this budgetary consolidation with citizens' expectations that the previous years' austerity policies will be reversed. The Costa government managed to square this circle well over this review period. However, more pressure, not less, is likely to emerge in the future, especially as the economy recovers.

The third challenge is the need to improve governance capacity. As made clear in the ratings in this report, and in all past SGI reports, Portugal scores poorly in a number of areas related to this topic, including the use of evidence-based instruments in policymaking; the degree of strategic planning and input 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. Indeed, the period under review here quite tragically highlighted the results of failures in the domains of territorial planning, forestation, forest-fire prevention and civil protection. Unfortunately, the country's governance failures have also extended well beyond these domains.

The fourth serious challenge has to do with youth unemployment. As noted in this report, youth unemployment rates have not followed the declining trend of unemployment in general, remaining fairly stable in this period above the EU and euro zone averages, over this period. Labor-market policies will need to engage with this issue in the future in order to avoid wasting the significant educational investment that has been made over the past decade.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 7

With regard to economic policy, the Costa government has maintained its strategy of gradually reversing past austerity measures without generating adverse impacts on budgetary policy or the country's overall fiscal consolidation. It has also sought to facilitate investment through the SIMPLEX+ program, which aims to simplify bureaucratic processes.

The continuation of the previous period's strategy has helped foster a more reliable economic environment during the period here under analysis.

The economy grew during the period under review. Quarterly economic-growth rates for 2016 were 1% in the first quarter, 1.1% in the second quarter, and 1.5% in the third quarter. Eurostat has provided a provisional estimate for overall annual growth of 1.5%.

This marks the third consecutive year of economic growth after three years of downturn from 2011 to 2013. However, just as in 2014 and 2015, economic growth in Portugal during the review period was slightly below both the EU-28 and the euro zone average. Moreover, and more worrying, economic growth slowed relative to 2015, with the 2016 rate about 0.3 percentage points lower than that of the previous year. Evidence from 2017 as of the time of writing suggested a further continuation of this pattern. In the first quarter of 2017, GDP growth stood at 1%, well above the EU and euro zone averages. However, the rate for the second quarter of 2017 was just 0.2%, below the benchmark averages.

Eurostat, "Gross domestic product, volumes" available online at: <http://ec.europa.eu/eurostat/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=teina011&language=en>
Peter Wise, "Portugal's economic revival brings 'crisis of good news'" Financial Times 5 June 2017.
Negocios 23 May 2017.

Eurostat (2017), “GDP up by 0.6% in both the euro area and the EU28,” available online at: <http://ec.europa.eu/eurostat/documents/2995521/8134589/2-16082017-AP-EN.pdf/dc908a55-fc6d-42d8-ac25-d20c44fc40aa>

Eurostat, “Real GDP growth rate – volume,” available online at: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00115&plugin=1>

Labor Markets

Labor Market
Policy
Score: 6

Unemployment rates maintained the downward trajectory identified in the last three reports. According to Eurostat, Portugal’s general unemployment rate was 8.5% in October 2017, a drop of more than two percentage points relative to October 2016. This was the lowest such rate since April 2008. It should be noted that the rate was 17.9% in January 2013. This is very good news for Prime Minister Costa’s government, which made labor policy a key election-platform issue.

However, this decline has not been entirely due to labor-market policies. The available evidence suggests that two main factors have driven the phenomenon. The first is a return to real economic growth after a period of contraction between 2011 and 2013. The second is the continued effect of very high levels of emigration. The most recent data for 2016, produced by the National Statistics Institute (Instituto Nacional de Estatística, INE) and provided by Pordata, indicates that some 97,151 people emigrated (on either a permanent or temporary basis) in 2016. This is still a very high number, even if somewhat lower than the 2015 figure (101,203 emigrants). While this data indicates that emigration numbers are stabilizing and even falling, it must be noted that at close to 100,000 per year, they remain very high. This number is relevant if we consider that, according to Eurostat, the absolute number of unemployed people declined by a quantity that closely mirrors the emigration statistics, with the number of unemployed people falling by 89,000 between October 2015 and October 2016 (639,000 to 550,000 unemployed); and by a further 109,000 between October 2016 and October 2017. The Costa government honored its pledge to increase the minimum monthly wage in 2017, boosting it to €57 per month from €30 in 2016. This increase was approved by business associations, which negotiated a 1.25 percentage-point reduction in their social-security contributions for workers who benefit from this wage increase.

Moreover, it should be noted that youth-unemployment rates did not decline over this period. While the overall unemployment rate has fallen – to a point below the euro zone average in October 2017 – the youth-unemployment rate has remained fairly stable at a high level. In November 2016, it stood at 26.9%; in October 2017, it was 25.6%, reflecting a small increase since July of that year. This total was well above the euro zone average of 18.6% in October 2017. The stability shown by youth unemployment is consistent with the analysis

above – that is, that labor-market policies have not been wholly responsible for this fall in unemployment.

With the backing of its parliamentary allies, the government has sought to combat the circumvention of legal requirements to provide contracts to workers. One example of such tactics is that of “fake green receipts,” which involves paying workers who de facto are full-time employees of a company as independent workers, thus according them considerably less job security and social security. A new law (Law 55/2017) that came into effect in August 2017 seeks to tighten control over these situations. The actual effects of this legislation will become clear over time, but initial evidence suggests there has been no immediate impact.

Citation:

RTP 30 May 2017. *Economia*.

<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.

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

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

Eurostat, “Harmonised unemployment rates (%) – monthly data,” available online at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ei_lmhr_m&lang=en

Eurostat, “Harmonised unemployment (1 000) - monthly data,” available online at: <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

Eurostat, “Harmonised unemployment rate by sex,” available online at: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=teilm020&plugin=1>

João Pedro Pereira (2016), “Salário mínimo sobe para 557 euros e patrões conseguem desconto extra na TSU”, *Público Online* - 22/12/2016, available online at: <https://www.publico.pt/2016/12/22/economia/noticia/ha-acordo-na-concertacao-social-patroes-ainda-ganham-mais-com-a-reducao-da-tsu-1755860>

Taxes

Tax Policy
Score: 5

The very high levels of taxation on income and consumption noted in the previous SGI reports have remained in this period. The Costa government’s 2016 budget initiated a gradual phasing out of the extraordinary income surtax introduced during the bailout period. The changes to the surtax meant that the tax burden as a percentage of GDP fell in 2016 for the first time in four years, from 34.6% of GDP in 2015 to 34.4% of GDP in 2016. However, levels remain very high by historic comparison, a consequence of the massive tax increase of 2013, which boosted the tax burden from 31.8% of GDP (below the OECD average) to 34.1% of GDP (above the OECD average). Indeed, the average tax burden between 2000 and 2012 was about 31.1% of GDP.

The Costa government's 2017 budget continued the gradual phasing out of the income surtax, removing it beginning in January 2017 for taxpayers in the second-lowest bracket (annual incomes of €7,091 to €20,261); beginning in July 2017 for the third-lowest bracket (up to €40.522 annual income); and beginning in November 2017 for taxpayers in the higher brackets. However, even with this change, tax policy continued to fall short of achieving horizontal and vertical equity during this period.

While the government has adopted measures to combat tax avoidance, the problem is far from being eradicated regarding income tax. Moreover, at the corporate level, the effective tax rate often remains disproportionately low for comparatively profitable companies. Furthermore, the public finances' considerable dependence on indirect taxation measures such as the value-added tax fails to satisfy the vertical-equity criterion.

Citation:

Dinheiro Vivo, "Carga fiscal recua para 34,4% à boleia da descida da sobretaxa," available online at: <https://www.dinheirovivo.pt/economia/galeria/estes-sao-os-paises-da-europa-com-a-carga-fiscal-mais-pesada/>

Budgets

Budgetary Policy
Score: 7

Clearly, the most important economic development during the reporting period was Portugal's departure from the European Union's excessive deficit procedure black list in May 2017. The budget deficit for 2016 stood at 2% of GDP, the lowest level since democracy was established in the mid-1970s. Moreover, this deficit was below the government's own forecast for the year, as well as the forecasts offered by the EU and major credit-rating agencies. This represents a reduction of the deficit by more than half relative to 2015, when the shortfall stood at 4.4% of GDP.

This review period's advances were aided by some one-off measures, including the sale of military equipment. However, the independent Council of Public Finances estimates that even excluding these one-off measures, the deficit would have stood at 2.5% of GDP.

These positive results led then-German Minister of Finance Wolfgang Schäuble to dub Portuguese Finance Minister Mário Centeno the "Cristiano Ronaldo of the Ecofin" in May 2017.

This budget result also prompted one of the big-three credit agencies, Standard & Poor's, to raise Portugal's score above the "junk" level in September 2017, after more than five years at this level.

However, it should be noted that the absolute level of public debt remains very high, actually increasing marginally in 2016 to 130.1% of GDP, up from 128.8% of GDP in 2015. Within the EU, this level is exceeded only by Greece and Italy.

Citation:

Orcamento do Estado para 2017.

Euronews, “Marcelo ‘feliz’ com crescimento economico de Portugal” Ultima noticias 15 May 2017.

Expresso, “Eurostat: sem ajudas ao sector financeiro défice de 2015 ficava em 2,8%,” 21 April 2016. Available online at: <http://expresso.sapo.pt/economia/2016-04-21-Eurostat-sem-ajudas-ao-sector-financieiro-defice-de-2015-ficava-em-28>

Observador, “INE. Défice de 2015 ficou em 4,4% do PIB, com o Banif a pesar mais que o previsto,” 24 March 2016. Available online at: <http://observador.pt/2016/03/24/ine-defice-2015-ficou-44-do-pib-banif-pegar-previsto/>

Diário de Notícias, “Bruxelas reitera que défice sem Banif foi 3,2% do PIB em 2015,” 3 May 2016. Available online at: <http://www.dn.pt/dinheiro/interior/bruxelas-reitera-que-defice-sem-banif-foi-32-do-pib-em-2015-5155268.html>

João Lima (2017), “Portugal Looks to Attract New Investors After S&P Rating Upgrade,” Bloomberg – 15/9/2017, available online at: <https://www.bloomberg.com/news/articles/2017-09-15/portugal-looks-to-attract-new-investors-after-s-p-rating-upgrade>

João Cândido Silva (2017), “Sem medidas extraordinárias, défice público de 2016 teria ficado em 2,5%,” Observador – 11/4/2017, available online at: <http://observador.pt/2017/04/11/sem-medidas-extraordinarias-defice-publico-de-2016-teria-ficado-em-25/>

Público (2017), “Défice de 2016 revisto em baixa para 2%,” Público Online – 12/4/2017, available online at: <https://www.publico.pt/2017/04/12/economia/noticia/defice-de-2016-revisto-para-2-1768525>

Eurostat, “General government gross debt – annual data,” available online at: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&code=teina225&plugin=1>

Expresso (2017), “Schäuble: Centeno é ‘o Ronaldo do Ecofin’,” Expresso Online – 24/5/2017, available online at: <http://expresso.sapo.pt/economia/2017-05-24-Schauble-Centeno-e-o-Ronaldo-do-Ecofin>

Research and Innovation

R&I Policy
Score: 5

Portugal’s rank in the World Economic Forum’s Global Competitiveness Report 2017 – 2018 increased by four positions to 42nd out of 137 countries, as compared to 46th place in the previous year’s report. Moreover, its overall score reached 4.57 (up from 4.46), returning the country to the competitiveness rating achieved in 2006, long before the bailout. The European Union’s 2017 Innovation Scoreboard classifies Portugal as a “moderate innovator,” the second-lowest category (out of four). However, it also shows that Portugal’s position has declined in relation to the EU average in 2016, inverting the trend of the previous two years. Overall, this report indicates that “performance has declined by 2.4% relative to that of the EU in 2010.”

Out of the 10 dimensions considered by the 2017 scoreboard, Portugal is above the EU average in three – human resources, attractive research systems and an innovation-friendly environment.

The government is placing a great deal of emphasis on research and innovation. At the beginning of review period, from 8-10 November 2016, Lisbon hosted the Web Summit, the largest tech conference in the world, dubbed by Bloomberg as “Davos for geeks.” The 2017 Web Summit was also hosted in Lisbon, beginning on 6 November 2017. Moreover, Lisbon was named by influential tech magazine Wired as one of the hottest startup cities in Europe in 2016, an accolade repeated in 2017.

However, the Innovation Scoreboard results suggest that these tech results and initiatives are not yet percolating fully through to the economy more generally.

Citation:

<https://www.weforum.org/reports/the-global-competitiveness-report-2016-2017-1>

“European Innovation Scoreboard 2017 – Portugal.” Available online at: <https://ec.europa.eu/docsroom/documents/23935/attachments/1/translations/en/renditions/native>

Global Financial System

Stabilizing
Global Financial
Markets
Score: 5

Portugal is a peripheral country and has not sought to contribute actively to the effective regulation and supervision of the international financial architecture. For a number of years, the risk associated with the country’s high level of public debt led the government to focus overwhelmingly on achieving fiscal sustainability and financial stability. More recently the Costa government has sought to play a bigger role in contributing to EU debates on regulation, but the country remains relatively poor in the EU context.

II. Social Policies

Education

Education Policy
Score: 6

Much has been promised for the education system by the Programa do XXI Governo Constitucional 2015 – 2019.

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

In the 2015 UNDP Human Development Index, Portugal was ranked 43rd out of 49 countries in the Very High Human Development category. However, with only 8.2 “mean years of schooling” in 2014, Portugal was below all other 49 countries in this area except Kuwait; even Spain had 9.6 “mean years of schooling.”

Shortly after taking office in 2015, the Costa government implemented a review of the national system for student assessment, with these changes taking effect in the 2015 – 2016 school year. Positive signs since have included an improvement in Portugal’s PISA results and a decision to introduce free primary-school textbooks beginning with the 2017 – 2018 school year.

Generally, the most recent OECD Human Development Report shows progress for Portugal in the area of education.

In March 2017, the government launched a series of innovations aimed at improving the quality of education. These are summarized in the dispatch (despacho) cited below.

Citation:

http://hdr.undp.org/sites/default/files/hdr_2015_statistical_annex.pdf

Alexandre Homem Cristo, “Ziguezagues nos exames (e o silêncio do ministro),” 11/1/2016, Observador. Available online at: <http://observador.pt/opiniaoziguezagues-nos-exames-silencio-do-ministro/>

<http://hdr.undp.org/en/countries/profiles/PRT>

Despacho No. 1971/2017 – Diário Da Republica No. 48/2017.

Social Inclusion

Social Inclusion
Policy
Score: 5

Government social policies seeking to limit socioeconomic disparities do exist, but they are poorly funded and not very effective in preventing poverty. Between 2010 and 2014, taxes were first imposed and then increased on pensions, which were treated like ordinary income for this purpose. In view of the need to reduce the government’s social costs, there was also substantial pressure to reduce contributions to poverty-reduction programs.

This led to an increase in the share of those at risk of poverty after social transfers, from a level of 17.9% in 2010 to 19.5% in 2014 and 2015.

The Programa do XXI Governo Constitucional 2015 – 2019 heavily emphasizes programs addressing social inclusion, featuring policies such as an increase in the minimum wage and a reversal of austerity measures imposed on pension and welfare payments.

The new government increased spending for families by €79, to €1,497 per month, or €17,967 per year. Previously, the 2008 has been kept without increase through 2015.

The share of people at risk of poverty after social transfers fell in 2016 to 19%, the first decrease since 2007. However, it remains higher than in the pre-bailout period and is above the EU average. In short, there has been some progress, but there remains a long way to travel with regard to significantly reducing the risk of social exclusion.

Expresso

Eurostat, "People at risk of poverty after social transfers," available online at: http://ec.europa.eu/eurostat/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=t2020_52&language=en

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 financial pressure in the previous review period because 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 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.

A recent OECD report on the issue of health care in Portugal documented overall improvement in this area.

At the same time, the period revealed some gaps in the health care system, notably in terms of providing adequate safety measures. In October 2017, at the close of the review period, there was an outbreak of Legionnaires' disease at one of Lisbon's public hospitals, killing at least two people and infecting a further 30 hospital patients. It appears that the bacteria came from the hospital's water supply.

Citation:

<https://data.oecd.org/portugal.htm#profile-health>

Reuters (2017), “Legionnaires’ disease in Lisbon hospital kills two, 32 infected,” 7/11/2017, available online at: <https://www.reuters.com/article/us-portugal-health-legionnaires/legionnaires-disease-in-lisbon-hospital-kills-two-32-infected-idUSKBN1D7235>

Marlene Carriço (2017), “Sobe para 19 número de casos de Legionella com ligação ao Hospital S. Francisco Xavier em Lisboa,” Observador – 4/11/2017, available online at: <http://observador.pt/2017/11/04/8-casos-de-legionella-diagnosticados-no-hospital-s-francisco-xavier/>

Families

Family Policy
Score: 7

The Programa do XXI Governo 2015 – 2019 promises major improvements to family policy. Most of these pledges have yet to be adopted. However, those that have include the introduction of free primary-school textbooks and an increase in the amount and coverage of child-support credit (“abono de família”). Both policies were approved in the 2017 government budget. In the 2016 government budget, the government changed income-tax deductions for children, estimating that this change would improve net income for 80% of households.

During the period under review, the birth rate increased to an estimated 8.4 births per 1,000 persons in 2016, as compared to an estimated 7.9 births per 1,000 persons in 2014 and 8.3 births per 1,000 persons in 2015. This remains below the rate of 9.6 births per 1,000 persons in 2010. Data for 2016 suggests this increase is likely to continue. However, these changes appear to be driven more by improving economic conditions than by any changes to family policy.

A very extensive study released in 2017 highlighted the need for family-policy reforms, and the government shows substantial political will with regard to implementing such reforms.

Citation:

See Igualdade de Género em Portugal: Indicadores-Chave 2017 Comissão para a Cidadania e Igualdade de Género, 2017.

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

Expresso 27 November 2015

“Abono de família vai abranger 130 mil crianças em 2017,” Expresso, 17 October 2015. Available online at: <http://expresso.sapo.pt/politica/2016-10-17-Abono-de-familia-vai-abranger-130-mil-criancas-em-2017>

“Fim do quociente familiar é bom ou mau para a classe média? Depende da “classe média.” Público, 5 February 2016. Available online at: <https://www.publico.pt/2016/02/05/economia/noticia/fim-do-quotiente-familiar-e-bom-ou-mau-para-a-classe-media-depender-da-classe-media-1722544>

Eurostat, “Crude birth rate.” Available online at:

<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&pcode=tps00112&language=en>

“Portugal tem a segunda taxa de natalidade mais baixa da União Europeia,” Expresso, 8 July 2016. Available online at: <http://expresso.sapo.pt/sociedade/2016-07-08-Portugal-tem-a-segunda-taxa-de-natalidade-mais-baixa-da-Uniao-Europeia>

Pensions

Pension Policy
Score: 5

The pension system was one of the most closely scrutinized aspects of government policy between the 2011 bailout and its end in the spring of 2017. This was one of the main areas in which the government sought to reduce public expenditure. The official retirement age is linked to life expectancy. In 2016, it was increased to 66 years and two months; and further to 66 years and three months in 2017.

Pension policy was a central issue in the 2015 election campaign. A key element in the Socialist Party and Portuguese Communist Party agreement concerned pensions. Consequently, a major change introduced by the Costa government has been an increase in the value of pensions. In a public statement on 12 April 2017 Costa promised that the new pension policy would be implemented in August 2017, guaranteeing the provision of pensions sufficient to allow all those over 65 to live a decent life, and allowing all those who began work between 12 and 14 years of age to retire at the age of 60. It remains to be seen whether this promise will be realized.

Integration

Integration Policy
Score: 8

In previous SGI reporting periods, we noted that the economic crisis has been accompanied by a decrease in immigration. This pattern reversed in 2016 for the first time since 2010, with the total immigrant population increasing by 2.3% in 2016 to 397,731 people.

Portugal is also receiving refugees currently entering the European Union as part of the refugee resettlement program. Between December 2015 and October 2017, Portugal took in 1,511 refugees, the fifth-highest such figure within the EU resettlement program. However, almost half of these individuals had left Portugal by October 2017. Some of those who remained have complained of excessive bureaucracy and inadequate organization of refugee support.

Citation:

Migrant Integration Policy Index, “Key Findings – Portugal 2015,” available online at: <http://www.mipex.eu/portugal>

“Imigrantes em Portugal diminuíram 1,6% em 2015.” Jornal de Negócios, 23 June 2016. Available online at: http://www.jornaldenegocios.pt/economia/mundo/detalhe/imigrantes_em_portugal_diminuiram_16_em_2015

“Portugal disponível para receber no total 10 mil refugiados,” *Diário de Notícias*, 19 February 2016, Available online at: <http://www.dn.pt/portugal/interior/portugal-disponivel-para-receber-no-total-10-mil-refugiados-5038142.html>

“Portugal recebe o 2.º maior número de refugiados recolocados,” *Público*, 15 June 2016. Available online at: <https://www.publico.pt/2016/06/15/sociedade/noticia/portugal-recebe-o-2-maior-numero-de-refugiados-recolocados-1735185>

Diário de Notícias (2017), “Número de estrangeiros a viver em Portugal inverte tendência e aumenta 2,3%,” 24/7/2017, available online at: <https://www.dn.pt/lusa/interior/numero-de-estrangeiros-a-viver-em-portugal-inverte-tendencia-e-aumenta-23-8658418.html>

Ana Dias Cordeiro (2017), “Quase metade dos 1500 refugiados que chegaram já deixou Portugal,” *Público* online – 16/10/2017, available online at: <https://www.publico.pt/2017/10/16/sociedade/noticia/mais-de-metade-dos-1500-refugiados-que-chegaram-ja-deixou-portugal-1788767>

Diário de Notícias (2017), “Portugal acolheu até agora 1435 refugiados,” 20/9/2017, available online at: <https://www.dn.pt/portugal/interior/portugal-acolheu-ate-agora-1435-refugiados-mais-100-chegam-em-breve-ministro-adjunto-8785876.html>

Safe Living

Safe Living
Conditions
Score: 7

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.

Overall reported crime fell 7.1% in 2016 relative to 2015, with violent crime declining by 11.6% over this period.

Portugal remains a relatively safe country in international terms. Furthermore, Portugal has not experienced a terrorist attack of the kind witnessed in Belgium, France, Germany, Norway, Spain, Turkey, and so on. Whether this is due to effective intelligence gathering and policing is unclear.

This pattern is consistent with that found in other surveys. In the Eurobarometer survey on the issue of internal security published in November 2011, Portuguese respondents indicated a degree of concern about terrorism, petty crime, cybercrime and religious extremism that was lower than the EU average. A 2015 Eurobarometer survey indicated that the proportion of respondents who believed terrorism was a challenge to national security had increased to 54%, though this remains far below the EU average of 65%.

However, it must be noted that in June 2017, a massive amount of arms and ammunition, including grenades, were stolen from the military arsenal at Tancos. Although the equipment was recovered in October 2017 thanks to an anonymous tip, military and civilian officials alike lost credibility through their

poor handling of this serious situation. Their behavior in this important event does not bode well for responses should there be attempts by terrorists to attack sites in Portugal.

The other noteworthy aspect is the failure of civil-protection services during the waves of forest fires in 2017. More than 100 people died as a result of fires in June and October 2017, which also extensively damaged property across the country. An independent report on the June fires, which caused more than 60 deaths, highlighted a number of significant failures and a lack of coordination on the part of civil-protection structures, all of which contributed to the unprecedented number of fatalities. By all accounts, many of these failures were repeated in the October fires that caused some 50 deaths.

Citation:

Special Eurobarometer 371, "Internal Security. European Commission, Brussels. Available at http://ec.europa.eu/public_opinion/index_en.htm

Special Eurobarometer 432 "Europeans' Attitudes Towards Security," European Commission April 2015. Available at http://ec.europa.eu/public_opinion/index_en.htm

Sistema de Segurança Interna, "Relatório Anual de Segurança Interna 2015," available online at: [http://www.ansr.pt/InstrumentosDeGestao/Documents/Relat%C3%B3rio%20Anual%20de%20Seguran%C3%A7a%20Interna%20\(RASI\)/RASI%202015.pdf](http://www.ansr.pt/InstrumentosDeGestao/Documents/Relat%C3%B3rio%20Anual%20de%20Seguran%C3%A7a%20Interna%20(RASI)/RASI%202015.pdf)

Sistema de Segurança Interna, "Relatório Anual de Segurança Interna 2016," available online at: [http://www.ansr.pt/InstrumentosDeGestao/Documents/Relat%C3%B3rio%20Anual%20de%20Seguran%C3%A7a%20Interna%20\(RASI\)/RASI%202016.pdf](http://www.ansr.pt/InstrumentosDeGestao/Documents/Relat%C3%B3rio%20Anual%20de%20Seguran%C3%A7a%20Interna%20(RASI)/RASI%202016.pdf)

Comissão Técnica Independente (2017), Relatório aos incêndios entre 17 e 24 de junho 2017. Available online at: <https://static.publico.pt/DOCS/RelatorioPedrogaoOut2017.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 promoting the Portuguese economy and its exports. That does not mean that Portugal is disengaged – it still participates through the provision 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 overarching aid policy, which means that coherence has not been as strong as it might be. This lack of interest has also percolated 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, not an international leader, and has very few resources. Therefore, while Portugal is supportive of 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 fairly limited participation in U.N., NATO, and EU security- and humanitarian-support missions. Furthermore, in specific instances such as Guinea-Bissau, Portugal is relatively very active in attempting to stabilize national governments, promote security and ultimately promote development. Despite Portugal’s limited resources, it is providing the first professional military education to the armed forces of Guinea-Bissau.

While it represents public opinion, and has nothing to do with the commitment of resources, the Special Eurobarometer 455 of April 2017 indicates that the Portuguese place a very high importance on “tackling poverty in developing countries,” with 76% of respondents seeing this as an important EU task, but just 51% seeing it as a task for the government of Portugal. The first figure was considerably above the EU mean of 68%, while the latter represented the EU mean for opinions about individual governments

Citation:

The European Commission, Special Eurobarometer 455 “EU Citizen’s views on development, cooperation and aid. April 2017.

III. Environmental Policies

Environment

Environmental
Policy
Score: 6

Portugal has long had 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 in recent years.

In the 2017 Climate Change Performance Index (CCPI), Portugal improved its position to 11th overall, up from 16th in 2016, but still falls well below its 4th-place position from 2015 and 3rd-place position from 2014. The country’s score improved to 62.47, an increase vis-à-vis 2016 (59.52), but still well below the 2015 level (67.26).

The António Costa government remains committed to the development of renewable energy sources. However, new investments in the renewable energy

sector are unlikely to obtain the generous – if not overgenerous – public support given to wind power in 2005-2011.

The country's subsidies for renewables were severely criticized by the EU-ECB-IMF Troika during the 2011-2014 bailout period, which also sought to reduce excessive rents in the energy sector. In addition, the 2016 International Energy Agency (IEA) Review of Portugal noted that “the costs of supporting [renewable energy sources] have been costly and made a significant contribution to the tariff deficit,” and that “rising subsidies to renewable energy have contributed to (...) growth in the tariff debt.”

Subsidies to the renewable sector have also come under fire from the Socialists' left-wing parliamentary allies. While not against renewable sources, the Left Bloc and the Communist Party are against passing through the cost of these subsidies to consumers' energy bills. Both parties demanded during this period that additional measures be taken against excessive rents in the renewable energy sector. While no such measure was adopted in the 2017 budget – indeed, the Socialist Party simply committed to discussing such measures with its parliamentary allies – the fact of the matter is that the political climate has become less favorable for subsidizing renewable energy sources.

During the review period, Portugal gave its approval to the nuclear facility at Almaraz, in Spain, near the Portuguese border, and drawing on the water of the Tagus River that runs through Portugal into the Atlantic Ocean.

Portugal has proposed a National Strategy for Sustainable Development (ENDS) since 2002, but implementation of this strategy continues to be postponed. The strategy could have a substantial positive impact by developing a green public-accounting system; harmonizing and publicizing existing environmental information; creating analysis and decision-making tools that jointly address environmental, social, economic and fiscal issues; reviewing industry regulation; and rationalizing existing environmental funds.

In lieu of the ENDS, this assessment is based largely on newspaper reporting. In this regard, Portugal can be rated as good on climate issues; poor on water resources, though a National Plan for Water is under discussion; poor on forests, but very poor on forest-fire prevention, as exemplified by the devastating fires of 2017; and good on biodiversity, particularly regarding 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%20DGEP%20model%20results.pdf> (doc 23 e 24)

Jan Burck, Franziska Marten & Christoph Bals (2015), The Climate Change Performance Index Results 2016, available online at: <https://germanwatch.org/en/download/13626.pdf>

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>

“Portugal’s clean-power problem,” Politico, 22 August 2016, Available online at: <http://www.politico.eu/article/portugal-looks-to-free-its-stranded-renewables-wind-solar-energy-subsidies-european-union/>

Jan Burck, Franziska Marten & Christoph Bals (2016), The Climate Change Performance Index Results 2017, available online at: https://www.climate-change-performance-index.org/sites/default/files/documents/the_climate_change_performance_index_results_2017.pdf

Global Environmental Protection

Global
Environmental
Policy
Score: 5

Portugal agrees to and participates in EU-wide policies on the environment. Portugal signed the Kyoto Protocol, and ratified the Paris Agreement in September 2016. In June 2017, Minister of the Environment Matos Fernandes very forcefully criticized U.S. President Donald Trump’s withdrawal from the Paris Accord on climate change. However, Portugal’s primary challenge in this area concerns implementation in both the domestic and global settings. The country has become much more active in promoting the global protection of marine environments in particular.

Citation:
www.eea.europa.eu
Renascenca 1 June 2017.

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 9

Individuals and political parties enjoy largely equal opportunities, both de jure and de facto, to register for and run in elections. Parties espousing racist, fascist or regionalist values are all constitutionally prohibited, as are parties whose names are directly related to specific religions.

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 several internal bodies that parties must have (Articles 24-27).

However, these requirements do not prevent parties and lists from forming and contesting elections. Indeed, the local elections of October 2017 were contested by 18 parties and some 30 citizen lists, a significant increase vis-à-vis the preceding local elections.

Citation:

On the laws see, for example, Eleição da Assembleia da República 1 / Outubro/1995: Legislação eleitoral actualizada e anotada (Lisbon: STAPE/MAI, 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. For the results of the elections see "General Election in Portugal 04 October 2015," Fondation Robert Schuman.

Media Access
Score: 9

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, 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.

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 (Partido Popular, CDS-PP), the Left Bloc (Bloco de Esquerda, BE) and the Unified 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 penultimate review period, an issue emerged relating to the National Election Commission's interpretation of legislation requiring media to provide equal coverage to all parties during an election campaign. This was resolved by providing media outlets with greater editorial freedom than had previously been the case under the electoral laws. This resolution apparently proved workable in the October 2017 local elections, with TV channels resuming their regular coverage of these elections after boycotting local candidates in their 2013 coverage because of the issue noted above.

Citation:

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

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. In the period under review here, the vote was extended to foreigners who are registered to vote in Portugal. There is no observable discrimination.

However, problems remain with substantial inflation of the electoral register, generating a problem of technical abstention. Estimates in the run-up to the October 2017 local elections indicated a gap of about 850,000 people between

the registered and actual number of voters – an increase of 9% vis-à-vis the 2015 legislative elections.

As noted in previous reports, this difference reflects current emigration patterns and the failure of Portuguese emigrants registered to vote in Portugal to transfer their electoral registration to their overseas residence. As Portuguese voters can vote only 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, a total of just 9,457 Portuguese voters living in Switzerland were registered to vote there, a minute fraction of the estimated 262,748 Portuguese citizens resident in Switzerland in 2014.

However, it must be noted that this discrepancy is not due to legal barriers to registration. Both within and outside 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>

Rui Dias (2017), “Em Guimarães há 15 mil eleitores fantasma,” *Mais Guimarães* – 22/8/2017, available online at: <http://maisguimaraes.pt/em-guimaraes-ha-15-eleitores-fantasma/>

Party Financing
Score: 7

Political-party funding oversight lies with the Constitutional Court (Tribunal Constitucional), which has a specific independent body tasked with monitoring 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.

As noted in previous reports, ECFP reviews do 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 limited its capacity to monitor party and election

funding fully. This appears to have remained true in the current review period.

The 2003 law on party and electoral-campaign financing (*Financiamento dos partidos políticos e das campanhas eleitorais*), which goes into tremendous detail both in defining financing and how it will be monitored, was updated for a fourth time in January 2017. Among other items, this recent legal change reduced public subsidies to parties and campaigns by 10% and 20% respectively.

Citation:

Financiamento dos partidos políticos e das campanhas eleitorais Lei no. 19/2003, 20 junho 2003, most recently amended by Lei no. 4/2017 of 16 January 2017.

Popular Decision-Making
Score: 2

The institution of referenda exists at national and local levels. However, while citizens can propose referenda, the referendum itself takes place only 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 local 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, with the most recent having been held in 2007. Local referenda are also rare, with five having officially taken place, the most recent of which was in 2012.

Access to Information

Media Freedom
Score: 7

Public and private media are independent of 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.

Media Pluralism
Score: 7

Portugal's media market is competitive and relatively diversified. There are four free broadcast-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 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.

The newspaper market has shown diversification, with several leading groups emerging. The Global Media Group holds several 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 owns the *Correio da Manhã* tabloid and the daily *Jornal de Negócios* financial newspaper, while Newsplex owns *The Sol* weekly and “i” daily. 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 most media outlets – notably newspapers – face considerable financial challenges. Indeed, the period under review saw the Cofina group fire around 30 journalists in April 2017.

These financial challenges have also produced considerable volatility in media-ownership patterns. In August 2017, it came to light that the Impresa group was seeking to sell some of its titles. However, a more problematic issue during this period was telecom and cable supplier Altice’s attempt to take over the Media Capital group, which includes the TVI television channels as well as several radio stations and internet news services. Although the parties agreed to this purchase in July 2017, the sale had not been finalized by the end of the review period, and remained dependent on approval by the Competition Authority.

Citation:

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

Access to
Government
Information
Score: 7

Free and readily available access to official information is guaranteed by Article 48, subsection 2 of the 1976 constitution, and mechanisms exist to ensure that this does in fact happen. There are extensive legal provisions 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 virtually all official information and requirements such as permits and licenses online. This information can be readily accessed through home computers and without cost 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.

The access to government documents is guaranteed in the following law:

Law number 26/2016 – Diário da República No. 160/2016, Série I de 2016

At the local level, the population generally has access to government information, documents and more through freely available computers at the local library or at government offices.

However, it should also be noted that, while information is available, it is often not well organized. Moreover, it is often not clear even to educated citizens, let alone to

citizens with lower educational attainments. This renders citizens' de facto ability to obtain information somewhat less expansive than their de jure ability.

Citation:

Lei n.º 26/2016 – Diário da República n.º 160/2016, Série I de 2016

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. Moreover, the justice system continues to be very slow, which also reduces its ability to effectively protect citizens.

Citation:

Patricia Pires, "Europa quer mais medidas contra a corrupcao em Portugal" Reuters October 2, 2016.

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 guarantee political liberties. Portugal has been successful in this regard, and widely agreed-upon political liberties are now in place and respected. 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. Moreover, Portugal has been a signatory to the International Covenant on Civil and Political Rights since October 1976.

Nevertheless, two areas of concern remain:

First, the gap between average pay for women and men has increased steadily in recent years. The unadjusted gender wage gap increased from 8.4% in 2006 to 14.9% in 2014 and to 17.8% in 2015. This latter result pushed Portugal's

gender wage gap above the EU average for the first time since 2006.

Second, racial discrimination remains a concern. The Commission for Equality and Against Racial Discrimination (CICDR) received and analyzed 119 complaints regarding racial discrimination in 2016. This was the highest such number since 2000, and represented a rise from only 84 complaints in 2015.

However, the Costa government also has the most diverse cabinet since Portugal's democratization. Aside from a prime minister of Indian (Goan) ascent, the cabinet also includes Afro-Portuguese Minister of Justice Francisca Van Dunem, as well as a Roma junior minister and a blind junior minister.

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>

Diario de Noticias, Miguel Marujo, "Queixas por discriminacao racial atingiram numero maximo em 2016."

Rule of Law

Legal Certainty
Score: 7

Portugal is an extremely legalistic society, and legislation is often tedious, long and complex. In combination with pressure for reform arising from Portugal's structural problems and ongoing political change, this causes some legislative uncertainty. During the review period, this was evident in the Costa government's reversal of several measures passed by its predecessor, the Passos Coelho government.

Judicial Review
Score: 8

The judicial system is independent and works actively to ensure that the government conforms to the law.

The highest body in the Portuguese judicial system is the Supreme Court, which is made up of 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 judges appeals on the basis of matters of law rather than on the facts of a case, and has a staff of 60 justices (conselheiros). There are also district courts, appeal courts and specialized courts, as well as a nine-member Constitutional Court that reviews the constitutionality of legislation. In addition, there is a Court of Auditors (Tribunal de Contas), which is also a constitutionally prescribed body and is defined as a court under the Portuguese legal system. This entity audits public funds, public revenues and expenditures, and public assets, all with the aim of ensuring that "the administration of those resources complies with the legal order." In total, there are more than 500 courts in

Portugal and 3,000 judges. Nevertheless, there is a shortage of judges in relationship to the number of outstanding cases, which creates delays within the system.

Citation:

Lei da Organização do Sistema Judiciário – Lei # 62/2013 of 26 August.

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 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.

In September 2017, a judges' strike was narrowly averted. The judges' union called off the strike, which was to begin on 3 October 2017, when it appeared that the parliament would be open to discussions.

Citation:

Diario de Noticias 20 September 2017 "Greve dos juizes foi desconvocada"

Corruption
Prevention
Score: 7

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. Transparency International's 2016 Corruption Perceptions Index ranked Portugal 29th out of 176 countries, a decrease of one position as compared to the previous year. However, Transparency International's ratings are based on public perceptions and are entirely subjective. Therefore, either recent laws are taking effect, the prosecution of high-profile corruption cases has affected public perceptions or other countries have become more corrupt.

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 portions of their corruption-prevention plans. The reasons given were largely related to a lack of human, technical and financial resources.

In October 2016, the Council of Europe's Group of States against Corruption (GRECO) released a report focusing on corruption involving deputies, judges and district attorneys. It analyzed weaknesses in various administrative and legal systems that facilitate corruption.

A GRECO report published in April 2017 stated that Portugal had satisfactorily implemented 10 of the 13 recommendations the body had made regarding the country in 2010, and that the remaining three had been partially implemented. However, this report also noted deficiencies in Portuguese legislation.

Former Prime Minister José Sócrates (2005 – 2011) remains under investigation for alleged corruption, money laundering and tax fraud, and was formally charged with 31 crimes in October 2017. The review period also saw the beginning of a trial on the so-called Golden Visa case, which involves a number of high-ranking civil servants and a former minister of internal affairs, Miguel Macedo (2011 – 2014).

Citation:

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>

Patricia Pires, "Europa quer mais medidas contra a corrupcao em Portugal," Reuters 2 October 2016.

JN (2017), "GRECO: Portugal criticado na luta contra a corrupção," Jornal de Notícias online – 13/4/2017, available online at: <https://www.jn.pt/justica/interior/relatorio-insta-portugal-a-reforçar-criminalizacao-de-corrupcao-6219236.html>

Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 5

Although the current government had been in office for almost two years as of the end of the review period, there have been virtually no changes with regard to strategic capacity. While there are strategic planning bodies in most ministries, their impact remains limited. The government's minority status, which makes it dependent on the parliamentary support of three other parties in the parliament, has not contributed to an increase in strategic planning. It remains to be seen whether the stability shown by the government thus far will enable any change in this area in the future.

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 mainly used on an ad hoc basis, and without a systematic academic-consultation mechanism 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. Under the preceding Passos Coelho government, policy assessment largely centered on budgetary implications, notably in terms of reducing costs and/or increasing revenue. This was particularly true during the bailout period, but persisted into the post-bailout. Under the Costa government, budgetary implications have remained important, as the government has sought to maintain its euro zone commitments. However, this government also evaluates how policy proposals might impact its parliamentary entente with its governing partners, the Portuguese Communist Party (PCP), the Left Bloc (BE) and the Greens (PEV).

GO Gatekeeping
Score: 8

The Prime Minister's Office (PMO) is able to return proposed legislation on the basis of policy considerations. In light of the understanding among the four

parties that support the minority government, its decisions on returning policy additionally take political considerations into account. The priority given to budgetary consolidation has meant that the Ministry of Finance remains important in this process.

Line Ministries
Score: 7

The Prime Minister's Office (PMO) is regularly briefed on new developments affecting the preparation of policy proposals.

Cabinet
Committees
Score: 7

Most ordinary meetings of the Portuguese cabinet – the Council of Ministers – are used for policy decisions rather than strategic policy debates. 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.

Citation:
www.sg.pcm.gov.pt/media/8376/pa_2015_site.pdf

Ministerial
Bureaucracy
Score: 9

Since the mid-1980s, cabinet meetings have been prepared in advance by senior ministry officials such as junior ministers or directors-general (who are also political appointees), depending on the issue. Although the bailout period itself has come to a close, the continuing conditions of budgetary constraint means that this coordination is still carried out in conjunction with the Ministry of Finance. This latter entity closely monitors all state expenditure.

Informal
Coordination
Score: 7

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 even more important as the Socialist Party (PS) government depends on the PCP, BE and PEV to pass legislation in the parliament.

Evidence-based Instruments

RIA Application
Score: 4

There has been minimal change in this area with regard to the previous period. RIA instruments are still not utilized. The government's program includes the goal of "ex ante and ex post evaluation of the impact of structuring legislation, especially that which carries costs for small and medium-sized enterprises." Documents from the government indicate that it will retain the small and medium-sized enterprise test ("PME test" in Portuguese), as well as the "one-in, one-out" or "Comporta Regulatória" rule designed to compensate citizens or companies for new costs resulting from new legislation, both of which were approved in 2014. While the Costa government is taking steps to implement these measures, notably through its Agency for Administrative Modernization, neither has yet been fully implemented. In March 2017, the government approved a methodology for evaluating the economic impact of government proposals ("custa quanto" measure). This measure was implemented on a trial

basis in 2017, with a team of six staff members working on it. The actual effect of this methodology on policy decisions remains unclear.

Citation:

https://www.ama.gov.pt/documents/24077/31275/20160630_AAC_03_SAMA2020Anexo_Global.pdf/55ad0d27-c3fa-441e-ac2b-c824983ae4d4

<https://www.ama.gov.pt/documents/24077/177526/Apresenta%C3%A7%C3%A3o+Ana+Sofia+Figueiredo.pdf/efc0af11-998e-4f69-968e-adfe6bf8199f>

João Palma-Ferreira (2017), “Quanto custam as leis às empresas?,” Expresso online – 4/3/2017, available online at: <http://expresso.sapo.pt/economia/2017-03-04-Quanto-custam-as-leis-as-empresas->

“SIMPLEX+2016 – Medida «Custa Quanto»” – available online at: <http://www.dgae.gov.pt/paginaRegisto.aspx?back=1&id=15058>

Quality of RIA
Process
Score: 2

As noted above, systematic RIA does not exist in Portugal. Stakeholder consultation does generally take place, albeit inconsistently and without full participation by all relevant stakeholders. Impact-assessment results are not generally 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 assessment processes but not in others, in a rather ad hoc fashion that depends on who is carrying out the impact assessment. The same is true with regard to the use of sustainability-focused indicators, as well as the temporal dimension of the analyses.

Societal Consultation

Negotiating
Public Support
Score: 4

The government consults 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 was made clear in the CES’ plan of activities and in its press releases.

Citation:

See the CES Plan of Activities for the period under consideration at 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

Policy Communication

Coherent
Communication
Score: 7

Prime Minister António Costa's government showed itself to be largely effective in terms of communication and coordination during the review period, despite being a minority government with an unprecedented parliamentary-support coalition. Indeed, its first two years in office were marked by a remarkable degree of stability, with the government's coherent communication contributing to this stability.

However, the government did display some communication failures late in the review period. Some of these occurred in the aftermath of the deadly forest fires of June and October, while others stemmed from separate policy fields. For example, in June 2017, the government initially decided to back Lisbon as a candidate for the process of relocating the European Medicines Agency, but then made a last-minute change and backed Porto as a candidate in July. The government also gave contradictory information in the aftermath of the theft of military equipment from Tancos in June, with the minister of defense adding to the confusing state of affairs in September when he stated that it was possible that "there may not have been any theft."

Citation:

Lei orgânica do XXI Governo available at www.portugal.gov.pt/pt/0-governo/lei-organica/lei-organica.aspx

Paul Ames (2017), "Portuguese politics cripples Lisbon's EU agency bid," *Politico*, 28/7/17, available online at: <https://www.politico.eu/article/to-placate-porto-portugal-pulls-plug-on-lisbons-bid-for-ema>

Paulo Tavares e Anselmo Crespo (2017), "'Não sei se alguém entrou em Tancos. No limite, pode não ter havido furto'," *Diário de Notícias* online – 10/9/2017, available online at: <https://www.dn.pt/portugal/interior/azeredo-lopes-nao-sei-se-alguem-entrou-em-tancos-no-limite-pode-nao-ter-havido-furto-8759607.html>

Implementation

Government
Efficiency
Score: 7

The Costa government is guided by a very impressive agenda, the Programa do XXI Governo Constitucional 2015 – 2019. In its first two years in office, as detailed elsewhere in this survey, it implemented a number of measures seeking to alleviate conditions of austerity. A number of these measures resulted from the government's negotiations with the PCP, BE and PEV to ensure their parliamentary support. Other more ambitious goals, such as administrative modernization, are also being developed, but will require a broader time-frame for implementation. The government has proved to be considerably more stable than initially predicted, which may allow it to implement its ambitious policy objectives. At the same time, it should be noted that the government continues to face intense scrutiny from the European

Union and world markets with regard to budgetary consolidation, along with no-less-intense scrutiny from its parliamentary allies with regard to austerity alleviation. During the period here under analysis, the government was mostly successful in negotiating these pressures and advancing its policy agenda.

Citation:

Programa do XXI Governo Constitucional, 2015 – 2019.

Ministerial
Compliance
Score: 7

The organization of relations in the parliamentary and cabinet systems ensure that ministers have incentives to implement the government's program. While ministers in the PS government are generally aligned with the government program, the fact that the government has to depend on three other parties with very different orientations to pass legislation does create difficulties with regard to ministerial compliance.

Monitoring
Ministries
Score: 7

The government is relatively small, with 17 ministers and a few more than 40 secretaries of state. A July 2017 reshuffle that created the position of secretary of state for housing increased the number of secretaries of state to 43.

Ministries in Portugal are not independent of the prime minister. The prime minister is also assisted by the *Presidência do Conselho dos Ministros* and by the office of the adjunct secretary of state of the prime minister. These entities can and do monitor all line ministries' implementation activities. However, the lack of in-depth policy capacity and the reality of limited resources limit the overall degree of control.

Citation:

<http://www.portugal.gov.pt/pt/ge21/governo.composicao>

Diário de Notícias (2017), "Governo: Lista atualizada do XXI Governo Constitucional," 13/7/2017, available online at: <https://www.dn.pt/lusa/interior/governo-lista-atualizada-do-xxi-governo-constitucional-8635507.html>

Monitoring
Agencies,
Bureaucracies
Score: 7

Over the course of the 1990s and 2000s, Portugal experienced a proliferation of quasi-autonomous non-governmental organizations and other structures that complicated an already complex direct administrative structure. These structures were often left with little in the way of ex post monitoring. In the context of the bailout and the continuing need to reduce public expenditure, the Passos Coelho government increased its scrutiny of the number and operation of these non-governmental organizations as well as the state administration. However, this interest was fundamentally centered on financial and budgetary aspects rather than the implementation of policy per se. Since the bailout, and even with a very different government under the Socialist Party, there has been little interest in these structures, and indeed the Programa do XXI Governo Constitucional 2015-2019 makes no mention of these.

Task Funding
Score: 6

Unsurprisingly given its extremely small size Portugal, 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 2016 (the most recent data available) show Portugal to have among the group's lowest relative levels of subnational public expenditure in several areas of education, health and security. However, these figures had improved significantly since the 2012 OECD report.

The subnational sector has long been burdened with increasing debts, and 18 municipalities received support from the Municipal Support Fund (Fundo de Apoio Municipal, FAM) during the period under review.

The current government has expressed a commitment to decentralization. It addresses this topic in its program, even identifying it as the basis of its reform of the state. On 16 February 2017, the Council of Ministers approved a law that transferred a number of very important responsibilities to local governments. Among the most important innovations was to increase the share of the public budget transferred to local governments from 14% to 19%, as stipulated in the National Program of Reforms.

Citation:

www.portalautarquico.pt=PT/financas-locais/transferencias/freguesias

OECD (2013), "OECD Regions at a Glance 2013"

OECD (2016) "OECD Regions at a Glance 2016" available at <http://www.oecd.org/regional/oecd-regions-at-a-glance-19990057.htm>

<http://www.fundodeapoio municipal.pt/category/noticias/>

Diário de Notícias (2017), "Fundo de Apoio Municipal paga 590 mil euros de juros às câmaras e ao Estado," 11/7/2017. Available online at: <https://www.dn.pt/lusa/interior/fundo-de-apoio-municipal-paga-590-mil-euros-de-juros-as-camaras-e-ao-estado-8628727.html>

Constitutional
Discretion
Score: 5

Formally, the central government enables subnational governments to make full use of their constitutional scope of discretion with regard to policy implementation. However, subnational governments do not have their own sources of revenue, being instead dependent on central-government transfers. This means that the central government generally has considerable control. This control increased with the bailout, and has continued to be substantial afterward. For example, the central government imposed its own conditionalities on the Madeira regional government as part of a bailout package that ended on 31 December 2015, and has acted similarly with other municipalities that have requested central-government help (as noted in the previous question). However, much the same is true of even for municipalities that have not sought a central-government bailout, as increasing reductions in

National
Standards
Score: 6

financial expenditures have resulted in budget cuts for programs involving partnerships between the central and local governments.

National standards are largely uniformly applied, albeit as a result of the control and provision of most public services by the central government. However, there are differences between municipalities in some services, as in the case of infrastructure, culture and extracurricular educational offerings. Similarly, differences in service provision can result from the “luck of the draw” in terms of the specific civil servant a citizen encounters. This reflects both the complex and frequently changing policy framework and the relative lack of accountability in public-services provision.

Adaptability

Domestic
Adaptability
Score: 7

The European Union is vital 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, organizational, security and reporting frameworks. While the government of Portugal has not yet applied all of the EU laws and regulations, it is steadily 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: 8

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 Cooperation in Europe, the Council of Europe, NATO, OECD, the World Trade Organization and the Community of Portuguese Language Countries (Comunidade dos Países de Língua Portuguesa, CPLP), among other groups. It works actively 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.

Portugal “punches well above its weight” in military diplomacy through participation in peacekeeping and humanitarian relief programs under the auspices of the European Union, the UN and NATO. It must also be noted that the previous president of the European Commission and the current secretary-general of the United Nations are Portuguese, both having been prime ministers of the country. Previously, Portuguese politician Diego Pinto de Freitas do Amaral served as president of the General Assembly of the UN in 1995 – 1996.

During the review period, the Costa government sought to increase the country’s influence in terms of shaping the European Union’s future, and hosted the second summit of Southern EU countries in January 2017.

Citation:

DW (2017), "Southern EU states to forge strategies in Lisbon," 28/1/2017, available online at: <http://www.dw.com/en/southern-eu-states-to-forge-strategies-in-lisbon/a-37312241>

Organizational Reform

Self-monitoring
Score: 6

The current government, which took office on 26 November 2015, has published both a policy agenda, the Programa do XXI Governo Constitucional, and the Lei Orgânica do XXI Governo (legislation stipulating government reorganization). Both of these documents, if implemented, necessitate monitoring the institutional arrangements of governing. The question that remains for this government is much the same as for its predecessors: whether it will be able to deliver on plans to reform institutional arrangements of governing, and effectively institutionalize these changes beyond the mere legal approval of new arrangements. So far, after almost two years of governing, the answer remains no.

Citation:

Programa do XXI Governo Constitucional, 2015 – 2019.
Lei Orgânica do XXI Governo Decreto – Lei # 251 – A/2015 de 17 December 2015.

Institutional
Reform
Score: 5

There is no evidence that the Costa government significantly changed institutional arrangements in such a way as to improve strategic capacity during the period under review.

II. Executive Accountability**Citizens' Participatory Competence**

Policy
Knowledge
Score: 5

As noted in previous reports, the bailout heightened citizens' attention to and interest in policy matters, as did the occurrence of a legislative election in the previous period but one. In the period currently under review, the situation appears to be regressing as the bailout – and ensuing austerity measures – recede from the horizon. In a Eurobarometer survey carried out in May 2017, a total of 50% of respondents in Portugal had a "strong" or "medium" interest in politics, a roughly similar proportion to May 2016. This is the lowest total within the EU-28 with regard to "strong" and "medium" interest in politics, and well below the EU average of 63%. Moreover, the proportion of respondents attesting to no interest in politics was 36% in May 2017, a two-percentage-point increase as compared to May 2016.

This result further strengthens our assessment in previous reports that the Portuguese public's policy knowledge is limited and unevenly distributed. The factors limiting citizens' policy knowledge include the insufficient and incomplete explanation of policy by the government, the incomplete and insufficient explanation of policy alternatives by the opposition, a media system that 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.

Citation:

Eurobarometer 83 (Annex), May 2015. Available online at:

<http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/66899>

Eurobarometer 85 (Annex), May 2016. Available online at:

<http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/74267>

Eurobarometer 87 (Annex), May 2017. Available online at:

<http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/79557>

Legislative Actors' Resources

Parliamentary
Resources
Score: 6

The Assembly of the Republic (AR) has 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 legislators' own expertise. Under the Costa government, which is a Socialist Party government supported by the parties to its political left, parliamentarians have shown a greater amount of interest in government monitoring, and the number of meetings involving these different political parties has increased substantially. However, this energy and interest does not imply that lawmakers in fact have adequate personnel and structural resources for the purposes of monitoring.

Citation:

Sergio Goncalves, "Portugal's political stability if Europe's rare pleasant surprise," Reuters June 22, 2016.

Obtaining
Documents
Score: 7

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 second session of the thirteenth legislature, held during the current period under review (15 September 2016 to 19 July 2017), parliamentarians issued 4,782 questions, of which 80% (3,819) were answered. This marks a considerable improvement vis-à-vis the previous review period when 55% of questions were answered.

However, there was a deterioration regarding requests to the central government, with only 47% of these requests being answered during the period under review. This is a decrease of five percentage points compared to the previous review period.

As noted in previous reports, this response rate does not appear to reflect a deliberate attempt to conceal information from the Assembly. 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, 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

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

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

Divisão de Informação Legislativa e Parlamentar, Assembleia da República, “Atividade Legislativa – XIII Legislatura, 2ª Sessão Legislativa,” available online at: https://www.parlamento.pt/AtividadeParlamentar/Documents/Estatisticas_Actividade_Parlamentar_XIIIILeg/AtividadeLegislativa_XIII_2.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.

The Assembly of the Republic has 12 permanent committees, each with a policy focus. Each committee can create sub-committees to work on a specific area or project. Creating a sub-committee requires the prior authorization of the president following consultation with the Conference of Presidents of the Parliamentary Commission. Further, each commission can also create working groups for even more specialized tasks.

In addition, and of greater importance for monitoring government ministries, the assembly can create ad hoc commissions of inquiry. Their specific purpose is to monitor whether the government or a ministry is complying with the constitution and laws, and the policies of the government. These ad hoc commissions of inquiry have investigative power and judicial authority.

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

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 an earlier 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 was provided by Marcelo Rebelo de Sousa, a former leader of the PSD and Portugal's most popular TV commentator, who was elected president of Portugal in January 2016.

Citation:

Corinne Deloy, "Marcelo Rebelo de Sousa wins the presidential election in Portugal in the first round," Foundation Robert Schuman 24 January 2016.

Intra-party
Democracy
Score: 5

Parties and Interest Associations

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 (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, regarding 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.

In January 2015, the PS approved 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 because of a primary election, this technique was not used to select candidates for the 2015 legislative elections, nor was it used for the 2016 party leadership election in May 2016, where Costa ran unopposed. The latter election reverted to the direct election model previously noted.

The BE elects delegates that convene at the party’s national convention to elect an 80-member national committee called “Mesa Nacional,” which is elected proportionally. The Mesa Nacional then votes for the party’s 21-member Political Commission. In its tenth convention, held in June 2016, the party

changed its statutes slightly, albeit the change does not significantly alter the degree of internal democracy. Due to this change, it is now up to the Political Commission to elect a seven-member Secretariat. Until the ninth 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), who retained her position in the tenth convention. Within the BE, internal factions tend to be more ideological than in other parties (as the run-up to both the ninth and tenth conventions 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 ninth 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.

Association
Competence
(Business)
Score: 5

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 – or sought faster alleviation of others – these tend to be reactions to specific government measures rather than ex ante and general policy proposals.

Association
Competence
(Others)
Score: 5

Despite the alleviation of austerity and initial signs of economic recovery, non-economic interest associations continue to have little impact. The focus in recent years on economic issues means that proposals by established groups engaged with other issues attract less visibility than before Portugal's bailout (e.g., proposals by the environmental group Quercus). Interaction with associations appeared to be largely instrumental and related to political or group objectives rather than policy-based.

Address | Contact

Bertelsmann Stiftung

Carl-Bertelsmann-Straße 256
33311 Gütersloh
Germany
Phone +49 5241 81-0

Dr. Daniel Schraad-Tischler

Phone +49 5241 81-81240
daniel.schraad-tischler@bertelsmann-stiftung.de

Dr. Christof Schiller

Phone +49 5241 81-81470
christof.schiller@bertelsmann-stiftung.de

Dr. Thorsten Hellmann

Phone +49 5241 81-81236
thorsten.hellmann@bertelsmann-stiftung.de

Pia Paulini

Phone +49 5241 81-81468
pia.paulini@bertelsmann-stiftung.de

www.bertelsmann-stiftung.de
www.sgi-network.org