



Portugal Report

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Sustainable Governance
Indicators 2020

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Executive Summary

The period under review covers the fourth year in office of the first António Costa government, as well the October 2019 elections and its aftermath, which resulted in the formation of a second Costa government.

The first Costa government entered office in 2015 under inauspicious circumstances. Holding a minority of parliamentary seats, Costa's social-democratic Socialist Party (PS) needed the support of two unlikely allies – the political forces to the PS's left: the Left Bloc (Bloco de Esquerda, BE) and the Portuguese Communist Party (Partido Comunista Português, PCP) – to form a government.

The anti-austerity and, to some extent, anti-EU discourse of these allies suggested an inevitable clash with the government's pledge to meet Portugal's post-bailout European commitments – and market pressures – regarding budgetary consolidation.

The seemingly precarious nature of this political solution led this arrangement to be dubbed the “geringonça” (or the “contraption”). Yet political practice significantly belied initial expectations. The government lasted a full term. This was an outcome few expected at the outset given the unusual political solution and historical precedent. Out of the previous seven minority governments since democratization in 1974, only one had lasted a full term.

The first Costa government managed to corral a mostly stable parliamentary majority with its left-wing allies, notably in terms of approving the state budget, the key policy instrument for Portuguese governments. In addition, by bringing the hitherto excluded BE and PCP into government decision-making, the “contraption” helped reduce overall political polarization, at least between the PS and the left – if not with right-wing parties.

At the same time, it achieved an unprecedented record of budgetary consolidation, with record-low deficits, while alleviating (in discourse and, at least to some extent, in practice) the austerity agenda that had marked the 2011 – 2014 period.

These results have led to greater international influence for Portugal, as the country has become a success story and a model for post-bailout policies within the European Union. The “geringonça” garnered interest from around Europe as a way of reducing party polarization, very much against international trends. Furthermore, the country’s international recognition was reflected in the election of Minister of Finance Mário Centeno to the presidency of the Eurogroup in December 2017 – an outcome that would hardly have been conceivable without budgetary consolidation.

These positive outcomes have been helped by economic growth, boosted by exports and an explosion in tourism. Equally, unemployment rates remain low, standing at 6.6% – the lowest level since September 2002. The country has also become increasingly attractive to the tech sector, with Google and other tech giants opening facilities in Portugal, as exemplified by the country’s ability to host the Web Summit since 2016, with a deal in place to continue hosting the summit until 2028.

The above elements would suggest an overwhelmingly positive assessment regarding Portugal’s governance. However, while some positive changes in Portugal have been evident during this review period, notably with regard to economic aspects in general and budgetary aspects more specifically, these coexist with persistently low scores in governance dimensions pertaining to policy formulation, implementation and oversight. While there are some improvements, regulatory impact assessment (RIA) framework, strategic decision-making, monitoring of institutional arrangements and policy evaluations remain weak. As in the past, this weak capacity affects the quality and impact of new and existing policies.

The silver lining is that there appears to be a recognition of the problem. The first Costa government program had as a key plank the simplification and modernization of public administration, with a focus on improving the quality of governance. Thus, efforts were made to improve governance and strategic capacity (e.g., with steps to institutionalize RIA).

In the aftermath of the October 2019 elections, a second Costa executive was formed. For all intents and purposes, this is almost identical to its predecessor. It is again a minority Socialist executive. The ministerial composition remains largely unchanged, with 14 (out of 17) of the previous ministers carrying on and with two new ministries being created: the Ministry of State and Public Administration Modernization, and the Ministry of Territorial Cohesion.

The new government’s program continues much of what it had set out under the previous Costa administration and retains a clear commitment to

modernizing governance, reflected in the new Ministry of State and Public Administration Modernization. However, the task of reforming governance is far from easy. Indeed, this is a domain in which previous governments have generally promised more than they have achieved.

Moreover, the new Costa government has one significant difference vis-à-vis its previous iteration. This time round, Costa has not secured formal parliamentary deals with the Left Bloc and Communist Party. Another major question for the new government is whether the absence of these deals makes the government's task easier or more difficult.

Key Challenges

To begin, we must note two challenges common to many other European democracies that are not a problem in Portugal.

First, regarding immigration and refugees, Portugal remains outside the routes taken by large populations of migrants and refugees leaving North Africa, the Middle East and South Asia. Therefore, unlike many other European countries, immigration is not a salient or extremely divisive political issue in Portugal. In a survey conducted in June 2019, only 4% of respondents in Portugal considered immigration to be among the two most important issues faced by the country. This was the lowest proportion in the European Union, well below the EU-28 average of 17%. As immigration is one of, if not THE main reason for right-wing populism in Europe and the United States, right-wing populism is less of a threat in Portugal.

Second, Portugal does not have the same problem with Islamic terrorist radicalization (jihadists) that has been experienced by several other EU member states. Its (small) Islamic community is generally well integrated and participates in the country's dynamic interfaith dialogue. Indeed, President Marcelo's inauguration in March 2016 included an interfaith ceremony held at the Central Mosque of Lisbon.

The country nonetheless faces six challenges:

A first challenge involves ensuring the continuation of budgetary consolidation. The country had its most recent EU excessive deficit procedure closed in 2017, the third such procedure for the country since 2002. This challenge is compounded by the high level of public debt (122.2% of GDP in 2018), which is the third-highest ratio within the European Union. Bringing

public debt under control will require an unprecedented, sustained effort over many years and future governments. The government's latest Stability Program for 2019 – 2023, released in April 2019, forecasts that debt will drop below 60% of GDP in the mid-2030s. This will require sustaining budgetary consolidation over more than a decade, and across international and domestic economic and political cycles.

A second and related challenge over the short to medium term will involve the reconciliation of the need for budgetary consolidation with citizens' expectations that austerity policies will be reversed. The first Costa government managed to square this circle reasonably well. However, the second Costa government, which took office on 26 October 2019, will face more not less pressure, especially as budgetary consolidation strengthens.

The third challenge is the need to improve governance capacity. During the current and previous review periods, Portugal scored poorly in a number of areas related to governance capacity, including the use of evidence-based instruments in policymaking, the degree of strategic planning and input into policymaking, societal consultation, policy implementation and the degree to which institutional governance arrangements are subjected to considered reform. Inevitably, weaknesses in these areas impinge on the quality of policymaking, both in terms of conception and implementation. This governance capacity pertains not only to decision-making arrangements, but also to broader oversight mechanisms.

The fourth challenge has to do with youth unemployment. Youth unemployment rates have not followed the downward trend of unemployment in general, remaining fairly stable during the current review period – above the EU and euro area averages. Labor-market policies will need to tackle this issue in order to avoid wasting the significant educational investment that has been made over the past decade.

The fifth challenge, which becomes obvious in the discussion of education, healthcare and poverty reduction policies, is the huge pressure on resources due to the need to reduce public debt, noted in challenge one above, from 122.2% of GDP. This pressure has resulted in strikes, a decline in the number of teachers and healthcare professionals, and a general public malaise since so much was promised under the previous government's "contraption," yet little has been delivered expect for an increase in pension payments.

The sixth challenge is the lack of sufficient workers for the economy as austerity policies are relaxed. This is due to several reasons, including population aging, emigration of young and educated people (which we

identified as a challenge in the 2015 SGI report), youth unemployment as noted in the fourth challenge above, and the lack of resources due to the need to reduce public debt highlighted in challenges one and five above. While there is a “regressor” return program, it has not been very effective.

Citation:

Eurobarometer 91 (Data Annex), June 2019. Available online at: <https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/STANDARD/surveyKy/2253>

Party Polarization

Comparatively speaking, Portugal’s party system is very stable. Since the October 1999 legislative elections, the party system has been almost entirely monopolized by five political forces: the PSD, PS, CDS, the PCP and its ally PEV, and BE. Overall, Portugal has had seven legislatures since the beginning of the new millennium. Out of a total of 1,610 members of parliament elected to these six legislatures, 1,602 have been members of these five political parties.

This stability contributes to a low level of party polarization, as evidenced by the lack of ideological polarization. Portugal had the eighth lowest level of ideological polarization between parties out of the countries assessed in the 2018 ParlGov database and is well below the average for all countries.

On 6 October 2019, Portugal went to the polls to elect a new parliament. The elections inevitably increased tensions between parties. Nevertheless, substantive party polarization maintained the relatively low levels that prevailed throughout the legislature of 2015 – 2019. This was facilitated by the hitherto unprecedented agreements (termed “joint positions”) between the PS, and the Portuguese Communist Party (PCP) and BE. In the joint positions, the parties agreed to a set of common policies and the formation of a Socialist-led government. These agreements meant that the PCP and BE had a greater role in government and policymaking than ever before, mitigating overall polarization in the party system.

The greater role of the PCP and BE in policymaking was evidenced by their approach to the state budgets, the central policy plank of Portuguese governments, throughout the 2015 – 2019 legislature. The 2019 budget followed the pattern of previous budgets, and was approved with the support of the BE and PCP on 20 November 2018.

As noted in the previous SGI report, this constituted a profound modification vis-à-vis the past. Previously, the BE and PCP systematically voted against all budgets, with the BE voting against every state budget since first entering parliament in 1999 and the PCP voting against every state budget since 1977.

Finally, it should be noted that the stable pattern noted previously did fray somewhat during the recent October 2019 legislative elections. Of the eight members of parliament that do not belong to the five main parties elected since 1999, seven were elected in the October 2019 election. The 2019 elections resulted in the strengthening of the environmental and pro-animal party PAN (People-Animals-Nature), which saw their 2015 seat share of one increase to four. The 2019 elections also saw three new parties enter parliament, each with one seat. These new parties mark a widening of the ideological spectrum represented in parliament. One of the parties that has now entered parliament is generally considered to be in the populist radical right camp (Chega, which translates as Enough). Another is avowedly liberal in economic terms (Iniciativa Liberal, Liberal Initiative). The third party is a left-libertarian, pro-European Union, green party (Livre, Free). The new parliament began on 25 October 2019, as such there has not been enough time to assess the impact of these new parties on party polarization. Though it is fair to expect that polarization will increase, the impact of these new parties should not be overstated: the five main parties still account for 97% of all seats in the current legislature. (Score: 8)

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 7

In a country marked by considerable policy discontinuities across governments, the stability of the first Costa government, which governed until the October 2019 elections, helped foster and maintain a reasonably reliable economic environment.

The government maintained its strategy of gradually reversing previous 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 economy grew during the period under review. Following three years of economic downturn (2011 – 2013), 2018 marked the fifth consecutive year of economic growth – a pattern that has almost certainly been maintained in 2019.

Eurostat has provided a provisional annual growth rate of 2.4% for 2018, which is less than the 3.5% for 2017, but remains above the EU-28 and euro area averages – the second consecutive year in which the Portuguese economy grew faster than its counterparts. The estimated quarterly growth rate for the first two quarters of 2019 has also remained above the EU and euro area averages.

At the same time, there are some notes of caution. First, the estimate for 2019 points to a slight slowing down of economic growth, with the October 2019 forecast of the Portuguese central bank predicting a 2% growth rate in the current year.

Second, and most importantly, the Portuguese economy still faces a number of structural constraints that remained largely unaddressed by government during this period. A recent Bank of Portugal study on potential output (i.e., the highest total GDP that an economy could sustainably produce) found that Portugal's potential output has been decelerating since the 2000s and diverging from the euro area since 2003. The study concludes that "The results reinforce the case for structural reforms if policymakers desire to resume a sustainable economic convergence."

Finally, public and commercial debt is high, which should be addressed by the government.

Citation:

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Labor Markets

Labor Market
Policy
Score: 7

Following a downward trajectory in the unemployment rate over the past five years – falling from a peak of 17.9% in January 2013 to 6.6% in October 2018 – unemployment has stabilized. Between October 2018 and September 2019, the unemployment rate has fluctuated between a minimum of 6.4% and a high of 6.7%. The rate in September 2019, the most recent month for which there is data, was 6.6% – identical to the rate in September 2018.

This remains the lowest level since September 2002 and means the unemployment rate is firmly back in single-digit territory – the norm for Portugal's low wage, low unemployment economy – after more than eight years (February 2009 – April 2017) of double-digit rates.

However, the low level of unemployment is not entirely due to labor-market policies. The available evidence suggests that two factors have contributed. The first is the 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 2018 indicates that some 81,754 people emigrated (on either a permanent or temporary basis) in 2018. This is a level that is marginally higher than that of 2017 (81,051) and marks the first time since 2014 that emigration has not decreased. Emigration thus remains high and seemingly stable, at least in 2018. This is all the more relevant if we consider that the absolute number of unemployed people declined by a quantity that closely mirrors emigration: some 97,000 in 2018.

As in the previous SGI period, youth unemployment remains a blot on the record of the labor market. Like overall unemployment, youth unemployment has remained fairly stable over the period under review, albeit at a much higher level, standing at 19.4% in the most recent data for September 2019, only marginally below the level for September 2018 (19.6%). Not only is this higher than the euro area average, but the difference between Portugal's rate and the euro area average increased from 2.9 percentage points in September 2018 to 3.5 percentage points in September 2019.

The monthly minimum wage was increased to €600 in 2019. This marks the fifth consecutive year in which the minimum wage was increased, after a four-year plateau at €485 during the bailout period (2011 – 2014). This increase had the support of business associations, but not of labor unions, who wanted a higher increase.

The government of Portugal passed and published a new labor code in July 2019. The legislation was approved with the support of the center-right PSD and of business associations, with the Socialists' left-wing allies in parliament voting against this legislation. The new law, which came into effect in October 2019, doubles the experimental period for first-time job-seekers and the long-term unemployed to 180 days, and also establishes tighter limits on companies renewing temporary worker contracts.

Citation:

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Raquel Martins (2018), “Novidades no Código do Trabalho chegam hoje às empresas,” available online at: <https://www.publico.pt/2019/10/01/economia/noticia/novidades-codigo-trabalho-chegam-hoje-empresas-1888339>

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Taxes

Tax Policy
Score: 5

The levels of taxation on income and consumption noted in recent SGI reports remained very high during the period under review.

Overall, the tax burden increased to 35.4% of GDP in 2018, a one percentage point increase vis-à-vis the previous year and the highest level since the National Statistics Office (Instituto Nacional de Estatística) began compiling data in 1995. However, it remains below the EU-28 average, albeit above the OECD average. The penultimate citation below summarizes the OECD information.

This historically high level is a result of two factors.

First, while the Costa government has stated its intention to end austerity, it has largely retained the income tax brackets approved in 2013, which generated a massive tax increase (and which boosted the tax burden from 31.8% of GDP in 2012, below the OECD average, to 34.1% of GDP in 2013, above the OECD average). Prior to this change in income tax, the tax burden had only once surpassed 32% (32.3% in 2011). Since 2013, it has never fallen below 34% of GDP.

Second, the Costa government has also sought to maintain budgetary consolidation despite increasing expenditure. To that end, it has resorted to indirect taxation, either maintaining existing high levels on some indirect taxes (e.g., VAT) or increasing the rate on other indirect taxes (e.g., on fuel and cars, particularly in 2016 but also in 2017 and 2018).

Overall, tax policy has failed to achieve horizontal and vertical equity during the period under review.

Fiscal receipts continue to rely excessively on more regressive indirect taxation. Thus, while the share of direct taxation on the overall tax burden in Portugal (29.5%) is below the EU-28 average (34.3%) in 2018, the share of indirect taxation in Portugal (43.5%) is well above the EU average (34%). VAT accounted for more than a quarter of the overall tax burden (25.1%) in 2018, well above the EU average of 18.1%.

Moreover, the overall balance is one in which indirect taxation outweighs direct taxation, in contrast to the EU norm. The considerable dependence of public finances on indirect taxation measures fails to satisfy the vertical-equity criterion.

The tax authority continued to implement measures to combat tax avoidance in 2018 and 2019, and began implementing its new strategic plan to combat fraud and tax evasion for the 2018 – 2020 period. In 2018, it implemented 27% of the 95 measures contained in the strategic plan.

Existing data suggests historically high levels of tax evasion and fraud in Portugal. A paper published in 2018 indicated that over 20% of Portugal's GDP was held offshore in 2007 – more than twice the world average of 9.8% and second only to Greece in the European Union. While its various measures are a step in the right direction, the tax authority appears unable to fully deal with the accumulation of offshored wealth or sophisticated modes of tax evasion. The tax authority's report for 2018 notes very small tax receipts arising from the Swissleaks and Panama Papers cases, despite each of these listing around 100 Portuguese taxpayers.

At the corporate level, it should be noted that taxes on the income or profit of corporations (including taxes on holding gains) is higher in Portugal as a percentage of GDP (3.3% in 2018) than the EU-28 average (2.7%).

Regarding the relationship between taxation and ecological sustainability, there appears to be a lack of available data on this important point.

Citation:

Alstadsæter, A., Johannesen, N., & Zucman, G. (2018). Who owns the wealth in tax havens? Macro evidence and implications for global inequality. *Journal of Public Economics*, Volume 162, June 2018, Pages 89-100.

Eurostat (2019), "Taxation in 2018: Tax-to-GDP ratio up to 40.3% in EU," available online at: <https://ec.europa.eu/eurostat/documents/2995521/10190755/2-30102019-AP-EN.pdf/68739572-f06a-51e4-3a5b-86e660a23376>

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Budgets

Budgetary Policy
Score: 8

The budget deficit for 2018 stood at 0.4% of GDP. This is the lowest rate since democratization in 1974, the second lowest since 1964 and an improvement on the government's target of a 0.7% deficit.

As in 2017, the budget deficit for 2018 was inflated by a one-off capital transfer to a bank. However, the transfer was much lower in 2018 than 2017, allowing for this record low deficit. Without this injection of capital, Portugal would have had no deficit.

These positive results have continued into 2019. The government estimates a deficit for 2019 of 0.2% of GDP and the results for the first semester of 2019 are consistent with this target.

The decrease in the budget deficit has positively affected public debt. While the absolute level of public debt remains very high, at 122.2% of GDP in 2018 (only lower than Greece and Italy in the European Union), this is a 3.8 percentage point improvement vis-à-vis 2017 and a 9.3 percentage point improvement vis-à-vis 2016.

These positive results have helped Portugal regain international credibility, as evidenced on two levels. First, in terms of the evaluation of credit agencies. During the period under review, Portugal's rating was upgraded by Standard & Poor's to BBB in March 2019, and both Moody's and S&P gave Portugal a positive outlook rating.

The second level is the political recognition afforded to Portugal's minister of finance, Mário Centeno. After being dubbed the "Cristiano Ronaldo of the Ecofin" in May 2017, Centeno was elected president of the Eurogroup by the finance ministers of euro area member states in December 2017 – a result that is inevitably bound to Portugal's improving budgetary consolidation. During the period under review, Centeno's international recognition was confirmed when he was mooted as a candidate for the head position at the IMF.

While Minister of Finance Centeno enjoys a good reputation regarding budgetary matters both within and beyond Portugal, it should be noted that there are several so-called *cativações* within the budget which refer to funds that have been allocated but cannot be spent. These inevitably impinge on the ability to deliver public services.

Citation:

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

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<https://www.pordata.pt/Portugal/Estado+despesas+efectivas++receitas+efectivas+e+défice+excedente+em+percentagem+do+PIB-2767>

<https://eco.pt/2018/10/16/centeno-nao-abre-mao-das-cativacoes-no-ultimo-oe/>

Research, Innovation and Infrastructure

R&I Policy
Score: 6

Portugal’s rank in the World Economic Forum’s 2019 Global Competitiveness Index remained stable compared to the 2018 index, standing again at 34 (albeit now out of 141 countries) in 2019. It also saw a marginal improvement of 0.2 in its score vis-à-vis 2018. Portugal’s score improved in two out of the four index components, including the innovation ecosystem component.

The European Union’s 2019 Innovation Scoreboard continues to classify Portugal as a “moderate innovator,” the second-lowest category (out of four). However, it also shows that Portugal’s position improved in relation to the EU average. Thus, Portugal’s performance relative to the European Union stood at 90% in 2018, a 10 percentage point increase compared to 2017, and five percentage points above the previous best of 2010 and 2011.

As in the previous SGI report, out of the 10 dimensions considered by the 2018 scoreboard, Portugal is above the EU average in three: attractive research systems; innovators; and an innovation-friendly environment.

The government continues to place a great deal of emphasis on research and innovation, with a particular interest in developing the tech sector. During the review period, Lisbon hosted the Web Summit (4 – 7 November 2019), the largest tech conference in the world, dubbed by Bloomberg the “Davos for geeks.” As noted in the previous report, in October 2018 the government announced a deal that will keep the event in Lisbon until 2028, with a public investment of €10 million over the next 10 years.

This is beginning to have some impact. The 2018 State of European Tech Report highlights that Portugal has one of the fastest growing tech sectors, with the fastest growing population of professional developers and the second fastest growing tech workforce in 2018. Likewise, Porto is the third fastest growing tech hub in Europe.

However, the 2018 State of European Tech Report also highlights the very low position from which Portugal is developing. Thus, consistent with the Innovation Scoreboard results, these tech results and initiatives are only slowly percolating through to the general economy.

Citation:

Atomico & Slush (2018), “The State of European Tech 2018,” available online at: <https://2018.stateofeuropeantech.com> (published on 4 December 2018)

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<https://www.pordata.pt> > ... > Despesas em I&D e Dotações Orçamentais

<https://tek.sapo.pt/.../mercado-tic-em-portugal-cresce-para-os-8-240-milhoes-de-euros...>

Global Financial System

Stabilizing
Global Financial
System
Score: 5

Portugal is a peripheral country, which limits its ability to contribute to the effective regulation and supervision of the international financial architecture. Moreover, the risk associated with the country’s high deficits and public debt has led successive governments since the new millennium to focus overwhelmingly on achieving fiscal sustainability and financial stability, most notably during the 2011-2014 bailout period. In the post-bailout period, Portuguese governments have sought to play a bigger role in contributing to EU debates on regulation. Their role has been enhanced by Portugal’s status as a bailout “success story,” and further reinforced by the election of Minister of Finance Mário Centeno as president of the Eurogroup, but is constrained by its peripheral position.

Citation:

Success story which enhances status as expert says in last sentence above is found in Liz Alderman, "Portugal Dared to Cast Aside Austerity. It's Having a Major Revival," New York Times "Business Day" July 23, 2018.

II. Social Policies

Education

Education Policy
Score: 6

Education policy is a field in which results only come to fruition long after their implementation. In the case of Portugal, we can see a steady improvement in educational attainment since the beginning of the new millennium. At the same time, these improvements have been insufficient to reverse a historic pattern of low overall and unequal levels of educational attainment.

In terms of the three criteria under analysis, we can point to inequality in the quality of education obtained and generally low levels of efficiency. Though these have been improving, the unstable policy framework has meant that these improvements are arguably taking place at a slower rate than would otherwise be possible.

In terms of educational attainment, Portugal continues to present low and unequal levels of educational attainment. The country remains firmly anchored at the bottom of the OECD in terms of the proportion of the population having completed upper secondary education. Less than 25% of the population aged between 25 and 64 had attained this level in 2018, although this was 0.9 percentage point improvement vis-à-vis 2017. While Portugal fares comparatively better in terms of tertiary education (25% in 2018, a one percentage point improvement vis-à-vis 2017), it is still 12 percentage points below the OECD average.

At the same time, earlier policies are now paying off. In 2009, the country extended compulsory education until the end of secondary school (12th grade). Almost a decade later, the proportion of 18 to 24-year-olds leaving school without completing secondary school dropped from 30.9% in 2009 to 12.6% in 2017 to 11.8% in 2018. Equally, the proportion of the population aged over 15 that has completed secondary school increased from 14.5% to 21.1% in 2017 to 21.9% in 2018, a 7.4 percentage point increase (whereas from 2001 to 2009, this increase was 2.8 percentage points). PISA assessment results for

Portugal also show a steady improvement over time, with Portugal emerging as one of the most improved countries since the first round in 2000.

These improvements are also observable in higher education. In the 2006 Academic Ranking of World Universities, Portugal was the only EU-15 country not to have at least one institution in the top 500 (excluding Luxembourg, which has a limited higher education structure). Since 2017, Portugal has had at least four universities in the top 500. The four universities ranked in the top 500 in 2019 – and an additional two ranked between 501 and 700 – puts Portugal ahead of Ireland in this regard.

However, there remains room for improvement, on at least four grounds.

First, there is significant variation in the quality of education between schools. The average school score in the 2018 national exams ranged from 12.77 (out of 20) for the highest rated public school to 7.88 in the lowest rated public school. The variance is even greater when we consider private schools also, with the best performing school presenting an average of 15.32 – almost twice the average for the lowest rated school. Additionally, anecdotal evidence suggests that the quality of education is often unequal within schools.

Second, these differences reflect policy failures, including the lack of effective accountability mechanisms and incentives, weak lifelong training and inefficient management systems.

Third, considerable instability in the sector – with substantial changes from year to year – means that the educational system is unpredictable, and that the impact of changes is limited. The previous SGI report noted how the adoption of a new system for special needs education in July 2018, decree-law 54/2018, reflected this instability. The legislation appears to have resulted in shortages in the provision of necessary support, at least in the short run. This pattern of not allowing sufficient time for policies to consolidate was again evidenced in the period under review, with decree-law 54/2018 being revised by parliament to Law 116/2019, which introduced further changes to the system for special needs education. Needless to say, the constant changes pose a significant challenge for schools and teachers in terms of implementation.

Finally, the failure to recruit new teachers, not least as a result of austerity-driven public sector hiring freezes, should be noted. Portugal now has one of the oldest teaching populations in the OECD. In 2007, there were 102 teachers aged 50 or over per every 100 teachers aged under 35, across all levels from primary to secondary. In 2018, there were a staggering 1,358 teachers aged 50 or over for every 100 teachers aged under 35.

Citation:
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<http://www.shanghairanking.com/ARWU2019.html>

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Pordata (2019), “População residente com 15 e mais anos por nível de escolaridade completo mais elevado (%)” available online at:
[https://www.pordata.pt/Portugal/Popula%C3%A7%C3%A3o+residente+com+15+e+mais+anos+por+n%C3%ADvel+de+escolaridade+completo+mais+elevado+\(percentagem\)-884](https://www.pordata.pt/Portugal/Popula%C3%A7%C3%A3o+residente+com+15+e+mais+anos+por+n%C3%ADvel+de+escolaridade+completo+mais+elevado+(percentagem)-884)

Pordata (2019), “Taxa de abandono precoce de educação e formação: total e por sexo,” available online at:
<https://www.pordata.pt/Portugal/Taxa+de+abandono+precoce+de+educa%C3%A7%C3%A3o+e+forma%C3%A7%C3%A3o+total+e+por+sexo-433>

Pordata (2019), “Índice de envelhecimento dos docentes em exercício nos ensinos pré-escolar, básico e secundário: por nível de ensino – Continente,” available online at:
<https://www.pordata.pt/Portugal/%c3%84ndice+de+envelhecimento+dos+docentes+em+exerc%C3%ADcio++nos+ensinos+pr%C3%A9+escolar++b%C3%A1sico+e+secund%C3%A1rio+por+n%C3%ADvel+de+ensino++Continente-944-7743>

Público (2018), “Pressa na mudança de regime deixa muitos alunos com necessidades especiais sem apoios,” available online at: <https://www.publico.pt/2018/09/29/sociedade/noticia/mudanca-de-regime-deixa-muitos-alunos-sem-apoios-1845677>

Público (2019), “Ministério recebeu 50 queixas sobre apoios a alunos com necessidades especiais,” available online at: <https://www.publico.pt/2019/03/08/sociedade/noticia/ministerio-50-queixas-apoios-alunos-necessidades-especiais-1864542>

Público (2019), “Fenprof diz que há alunos com necessidades especiais que perderam apoios,” available online at: <https://www.publico.pt/2019/03/16/sociedade/noticia/fenprof-ha-alunos-necessidades-especiais-perderam-apoios-1865656>

Social Inclusion

Social Inclusion
Policy
Score: 5

Government social policies seeking to limit socioeconomic disparities do exist and have been partially successful in preventing poverty.

The 2011 – 2014 bailout led to the adoption of austerity measures that sought to reduce public expenditure on social inclusion and contributions to poverty-reduction programs. This led to an increase in the share of those at risk of poverty after social transfers, from 17.9% in 2010 to 19.5% in 2014 and 2015.

The Costa government stated its intention to turn the page on austerity, without relinquishing its approach to budgetary consolidation.

As such, there has been a gradual reversal in austerity measures imposed on pension and welfare payments. While in the previous SGI report, the situation had not yet returned to pre-bailout levels, in 2018 it did. The share of the population at risk of poverty after social transfers fell to 17.3% in 2018, one percentage point below the level for 2017. This is the lowest level since 1995 (covering the period for which Eurostat has data), and it is very close to the estimated EU and euro area averages of 16.9%. Even so, according to data from the National Statistical Institute, 2,223,000 people in Portugal, 21.6% of the population, were at risk of poverty and/or social exclusion in 2018. The data goes into much greater detail, but the general point is that poverty and social exclusion are serious problems in Portugal. It should also be noted that 20% of Portuguese workers earn the minimum monthly salary of €600, while the mean monthly salary is €443. The government recognizes the importance of this challenge. Its policies for combating social exclusion are grouped under the Programa Operacional Inclusão Social e Emprego (see official url in the citations).

While Portugal still has a long way to go in terms of eliminating the risk of social exclusion, the results for 2018 are very encouraging, not least as they have been achieved while ensuring fiscal responsibility.

Citation:

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
<https://poise.portugal2020.pt/inicio>

Health

Health Policy
Score: 5

Portugal performs comparatively well across a number of health policy indicators, including life expectancy and infant mortality, with results that significantly outperform the level of public expenditure.

At the same time, the focus of the healthcare system is largely reactive and concentrated on “big ticket” statistics (e.g., life expectancy and infant mortality). The healthcare system pays relatively little attention to women’s concerns during childbirth. Likewise, the number of healthy years a person can expect to live after 65 years of age is well below the EU average, particularly for women, even though average life expectancy exceeds the EU average. The most recent Eurostat data indicates that Portugal has the seventh lowest number of healthy years after 65 years old for women and 11th lowest for men in the European Union in 2017.

As in other public policy areas, the country’s national health system came under financial pressure in the previous review period because of the pressure

on Portugal to curb public expenditure. Likewise, while the Costa government seeks to end austerity, it also aims to sustain budgetary consolidation, with the healthcare sector affected by de facto restrictions on expenditure.

These financial constraints have led to reductions in a number of services and even forced some hospitals to stop providing certain services. For instance, the Garcia da Orta hospital in Almada was forced to close the pediatrics emergency service, while the obstetrics emergency service in Beja was temporarily closed on five occasions due to a lack of doctors between the beginning of the review period and mid-June 2019. Overall, it appears that the cumulative effects of restrictions over the last several years is now negatively affecting the quality and inclusiveness of healthcare services. In addition, as the Public Health Service (SNS) is a disaster, a large number of doctors and nurses are leaving Portugal for other countries. A situation that will only get worse.

Healthcare professionals, including doctors, have held several strikes over disputes regarding pay and working conditions. As is the case with education, these strikes concern the amount of resources made available by the government for healthcare.

There are substantial political obstacles to achieving agreement on healthcare policy (and on how to fund it).

Citation:

Diário da Região Setubalense (2019), “Crise nas urgências deixa saúde da região em quarentena,” available online at: <https://www.diariodaregiao.pt/ultimas/2019/10/15/crise-nas-urgencias-deixa-saude-da-regiao-em-quarentena/>

Eurostat (2019), “Healthy life years and life expectancy at age 65 by sex,” available online at: https://ec.europa.eu/eurostat/databrowser/view/tepsr_sp320/default/bar?lang=en

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RTP (2019), “Administração do Hospital Garcia de Orta reuniu com chefes de equipas de urgências,” available online at: https://www.rtp.pt/noticias/pais/administracao-do-hospital-garcia-de-orta-reuniu-com-chefes-de-equipas-de-urgencias_v1177659

<https://observador.pt/.../medicos-e-enfermeiros-realizam-segundo-dia-de-paralisacoes/visao.sapo.pt/.../2019-01-23-O-que-esta-em-causa-na-nova-Lei-de-Bases-da-Saude-e...>

<https://observador.pt/.../ps-rompe-com-psd-na-negociacao-da-lei-de-bases-da-saude/>

Families

Family Policy
Score: 7

The birth rate has improved in recent years, increasing from 7.9 per 1,000 persons in 2013 and 2014 to 8.5 births per 1,000 persons in 2018. However, these changes appear to be driven more by improving economic conditions than by changes to family policy. The birth rate remains well below the pre-bailout rate of 9.6 births per 1,000 persons in 2010. Moreover, the current birth rate falls well short of mitigating Portugal's looming demographic crisis, with the low birth rate aggravated by a high emigration rate. The United Nation's median projection forecasts that Portugal's population will decline from 10.2 million in 2010 to 9.1 million in 2050.

Policy changes during the period under review have reinforced several of the measures mentioned in the previous SGI report. For example, textbooks were made freely available to all children in public schools between grades one and 12, while in 2018/19 textbooks were only freely available to children between grades one and six. Similarly, the amount and coverage of child-support credit ("abono de família") was further increased in the 2019 budget.

However, these measures still fall well short of providing a legal and substantial support framework that would enable women to freely decide whether and when they want to enter full- or part-time employment. In a country with low wages, female participation in the workforce – which is one of the highest in the OECD – reflects the income needs of households as much as it does the actual choices of women and families.

Citation:

Eurostat, "Live births and crude birth rate" Available online at: <https://ec.europa.eu/eurostat/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tps00204&language=en>

UN, "World Population Prospects 2019 Data Booklet," available online at: https://population.un.org/wpp/Publications/Files/WPP2019_DataBooklet.pdf

Pensions

Pension Policy
Score: 6

One of the key elements in the Socialist Party's agreement with the PCP and BE involved ending the austerity approach to pension policy.

In 2019, pension values were again increased. This included an extra increase in pensions and an extra pension supplement for low-income pensioners.

The official retirement age is linked to life expectancy. In 2019, it was increased to 66 years and five months, from 66 years and four months in 2018.

Despite this adjustment factor, the system faces medium- and long-term financial imbalances. Expenditure on pensions is high and has risen since the turn of the new millennium. Between 2000 and 2013, expenditure on pensions increased by over 50%, from 10% to 15.7% of GDP. This is the third largest increase in the European Union, exceeded only by Cyprus and Greece. Since 2013, it has fallen, standing at 14.6% in 2016, the most recent year for which data is available. However, that is still the fourth highest level in the European Union, only lower than Greece, Italy and France. This contrasts with 2000, when it was only the 14th highest in the European Union.

A recent study of the pension system, which looked ahead to 2070, forecasts an increase in the absolute number of pensioners from 26.3% of the population in 2020 to 35.9% in 2050. While this is not expected to raise the weight of pensions as a share of GDP, the study does forecast that, if the social security system remains unchanged, it will run deficits between 2027 and 2070, peaking at a deficit of 2.8% of GDP in 2050.

Citation:

Montepio (2019), “Pensões em 2019: Quem vai ter aumento?,” available online at: <https://www.montepio.org/ei/ultimas/gestao-diaria-ultimas/pensoes-em-2019-quem-vai-ter-aumento/>

Moreira, A. (2019), “Sustentabilidade do sistema de pensões português,” available online at: <https://www.ffms.pt/FileDownload/62281dcc-1734-403d-846e-c5b38bc8fa7e/resumo-do-estudo-sustentabilidade-do-sistema-de-pensoes-portugues>

Pordata (2019), “Pensões: despesa total em % do PIB,” available online at: <https://www.pordata.pt/Europa/Pens%C3%B5es+despesa+total+em+percentagem+do+PIB-1579>

Integration

Integration Policy
Score: 9

The bailout was accompanied by a decline in immigration. Though since 2016 the resident foreign population has increased at an accelerating rate. After a 2% increase in the immigrant population in 2016, it increased 6% in 2017 and 15% in 2018, the year for which the most recent data is available. By all accounts, this increase is set to continue at pace in 2019.

In previous SGI reports, we noted that Portugal has a welcoming policy framework for migrants. The country ranked second in the European Union in the 2015 Migrant Integration Policy Index (MIPEX) in terms of most favorable migrant-integration policies. While the MIPEX has not been updated, existing evidence suggests that this continues to be the case. Thus, as detailed in the previous SGI report, the most recent OSCE Good Practices in Migrant Integration: Trainee’s Manual highlights a number of good practices in Portugal.

In April 2018, parliament approved several amendments to the naturalization laws. Overall, these changes – which are detailed in the previous SGI report – make naturalization easier.

This change in the legislation has seen a rise in the number of requests for Portuguese nationality, which increased by some 50% between 2016 and 2018, from 117,629 to 176,285.

Portugal has sought to be a leader at the EU level with regard to refugees and migrants, advocating a liberal position. It has consistently shown a willingness to take in refugees and a government statement in June 2019 indicated that Portugal had received the sixth highest number of refugees as part of the EU resettlement program.

Citation:

Governo de Portugal (2019), “Dia Mundial do Refugiado – nota à comunicação social,” available online at: <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=cab46a1a-1bc1-4d5a-8d82-d0ffe8eee919>

Lei Orgânica nº 2/2018 [Law no. 2/2018], available online at: <https://dre.pt/home/-/dre/115643970/details/maximized>

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

OSCE (2018), Good Practices in Migrant Integration: Trainee’s Manual, available online at: <https://ec.europa.eu/migrant-integration/?action=media.download&uuid=17D9FD33-0B7B-A37B-0CD6F2869D688741>

Pordata (2019), “População estrangeira com estatuto legal de residente: total e por algumas nacionalidades,” available online at: <https://www.pordata.pt/Portugal/Popula%C3%A7%C3%A3o+estrangeira+com+estatuto+legal+de+residente+total+e+por+algumas+nacionalidades-24>

Público (2019), “Pedidos de nacionalidade portuguesa aumentaram 50% em dois anos,” available online at: <https://www.publico.pt/2019/03/18/sociedade/noticia/pedidos-nacionalidade-aumentaram-50-dois-anos-1865551>

Safe Living

Internal Security
Policy
Score: 8

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

Overall, reported crime fell 2.6% in 2018 relative to 2017, and violent crime declined by 8.6% over this period.

In this generally positive picture, a black spot is the increase in deaths of women as a result of domestic violence. There were 39 domestic violence deaths in 2018; and 29 in 2019 by early October.

Portugal remains a relatively safe country in international terms. Furthermore, Portugal has not experienced a terrorist attack of the kind witnessed in many other European countries. Whether this is due to effective intelligence gathering and policing or the priorities and preferences of potential terrorists is unclear.

In a previous SGI report, we noted the failure of civil-protection services during the 2017 forest fires, which resulted in over 100 deaths and over 500,000 hectares of burned land. While Portugal again faced substantial forest fires in 2019, their impact was considerably more limited, with virtually no reported deaths and the total area burned by the end of August being the second lowest since 2009. These improvements are due to a more active policy framework with regard to forest fire prevention, with the government embarking on a number of forest fire prevention initiatives (e.g., strengthening the requirement for landowners to clear shrubbery that could otherwise fuel fires), as well as more favorable weather conditions than in 2017.

In a previous SGI report, we also drew attention to the robbery and subsequent recovery of a large quantity of arms and ammunition, including grenades, from the military arsenal at Tancos. Over this period, charges were brought against a number of military and the national gendarmerie (GNR) officials, and the then-minister of defense over an alleged cover-up regarding the robbery and recovery of the weapons. This has inevitably impacted on the credibility of the military.

As noted in paragraph four above, whether the relatively good internal security situation is due to government policy or the lack of interest by terrorists and organized crime in Portugal, the security situation for Portugal is extremely positive relative to other countries in South and Central Europe.

Citation:

Pordata (2018), “Incêndios rurais e área ardida – Continente,” available online at: <https://www.pordata.pt/Portugal/Incêndios+rurais+e+área+ardida+--+Continente-1192>

Público (2019), “Portugal com menos 8719 hectares de área ardida do que em 2018,” available online at: <https://www.publico.pt/2019/09/02/sociedade/noticia/portugal-menos-8719-hectares-area-ardida-2018-1885282>

Público (2019), “Quem são os 23 acusados do caso de Tancos?,” available online at: <https://www.publico.pt/2019/09/26/sociedade/noticia/sao-23-acusados-caso-tancos-1887988>

Público (2019), “Duas mulheres mortas em 24 horas. São já 29 as mortes por violência doméstica este ano,” available online at: <https://www.publico.pt/2019/10/03/sociedade/noticia/duas-mulheres-mortas-24-horas->

sao-ja-29-vitimas-violencia-domestica-ano-1888751

Sistema de Segurança Interna, “Relatório Anual de Segurança Interna 2018,” available online at: <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=ad5cfe37-0d52-412e-83fb-7f098448dba7>

Global Inequalities

Global Social
Policy
Score: 5

There has been virtually no change in this area vis-à-vis previous review 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.

III. Environmental Policies

Environment

Environmental
Policy
Score: 6

The reduction in production resulting from the 2009 – 2014 economic crisis eased environmental pressures in the first half of the 2010s. This was particularly apparent during the bailout period and economic downturn, when Portugal ranked third in the 2014 and fourth in the 2015 Climate Change Performance Index (CCPI), which measures overall climate protection performance.

As noted in the previous SGI report, the subsequent economic recovery was accompanied by a decline in Portugal's ranking and score, falling to 18th place worldwide in the 2018 CCPI, with an overall score of 59.16 (albeit with a somewhat different methodology) – Portugal's worst result over the past five years. This decline was arrested in the 2019 CCPI, with Portugal ranking in 17th place and marginally increasing its score to 60.54.

Though it should be noted that Portugal scores highly in the “Domestic Policy” component of the CCPI, which assesses the policies and measures of countries as well as their implementation and effects. However, as in other areas, there is some lag between the legal texts and actual implementation of environmental legislation.

If we look at environmental policy more broadly, Portugal shows improvements in some areas but also challenges in others. The European Commission's 2019 Environmental Implementation Review for Portugal notes substantial progress with regard to the circular economy, a flagship policy of Ministry of Environment and Climate Action under the first Costa government, as well as some progress on marine conservation and water management, all of which had been areas of challenge noted in the 2017 review. Likewise, Portugal performed above the EU average with regard to eco-innovation, environmental tax revenues as a percentage of GDP and the proportion of land area that is protected.

At the same time, however, the review noted persistent challenges with regard to nature conservation, waste management (including low levels of recycling), water management, low productivity in using material resources to generate wealth and urban sprawl, among others. Overall, the review also noted that sustainable development was not fully taken into account across policy areas.

In the previous SGI report, we noted the political tension around subsidies for the renewable energy sector, perceived to be excessive by a number of international bodies as well as by the Socialists' left-wing parliamentary allies. While not against renewable sources, the Left Bloc and the Communist Party were against passing through the cost of these subsidies to consumers and have demanded that additional measures be taken against excessive rents in the renewable energy sector. We also noted that a proposal in late November 2017 by the Left Bloc to tax producers of renewable energy was blocked by the Socialist party.

In the period under review, these three parties coalesced to approve the report of the Parliamentary Inquiry Committee on Payment of Excessive Rents to Electricity Producers in May 2019, which concluded that there were indeed

excessive rents. Though no legislative measures were introduced as a result, it does increase political pressure to address this issue.

:

Comissão Parlamentar de Inquérito ao Pagamento de Rendas Excessivas aos Produtores de Eletricidade (2019), “Relatório Final da Comissão Parlamentar de Inquérito ao Pagamento de Rendas Excessivas aos Produtores de Eletricidade,” available online at:

<https://bit.ly/3giz3nx>

Eco (2019), “Geringonça viabiliza relatório final da comissão de rendas excessivas na energia,” available online at: <https://eco.sapo.pt/2019/05/15/geringonca-viabiliza-relatorio-final-da-comissao-de-rendas-excessivas-na-energia/>

Jan Burck, Ursula Hagen, Franziska Marten, Niklas Höhne, Christoph Bals (2019), The Climate Change Performance Index Results 2019, available online at: <https://www.climate-change-performance-index.org/sites/default/files/documents/ccpi-2019-results-190614-web-a4.pdf>

European Commission (2019), The EU Environmental Implementation Review 2019 Country Report – Portugal, available online at: https://ec.europa.eu/environment/eir/pdf/report_pt_en.pdf

<https://www.publico.pt/sociedade/interactivo/que-esta-portugal-fazer-ambiente>
ec.europa.eu/environment/eir/pdf/factsheet_pt_pt.pdf

Global Environmental Protection

Global
Environmental
Policy
Score: 6

Portugal agrees to and participates in EU-wide policies on the environment. Portugal signed the Kyoto Protocol and, in September 2016, ratified the Paris Agreement.

The country has also become much more active in promoting the global protection of marine environments, taking advantage of its unique and very large maritime area. Indeed, Portugal has the third largest exclusive economic zone in the European Union and the 20th largest in the world. This is reflected in the country hosting the annual Oceans Meeting, congregating ministers responsible for ocean/maritime affairs from around the world.

Portugal’s commitment to advancing global environmental protection is reflected in its performance in the “International Climate Policy” indicator of the 2019 CCPI, which specifically measures countries’ international climate diplomacy. Portugal is rated as “very high” in this indicator, reflecting its collaborative role in international negotiations. Nevertheless, the proviso in the previous question regarding implementation of domestic environmental policy is applicable at the global level as well.

:

Jan Burck, Ursula Hagen, Franziska Marten, Niklas Höhne, Christoph Bals (2019), The Climate Change Performance Index Results 2019, available online at: <https://www.climate-change-performance-index.org/sites/default/files/documents/ccpi-2019-results-190614-web-a4.pdf>

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 are aligned with the political-party law (*Lei dos Partidos Políticos*), which requires that parties' internal operations must conform to "the principles of democratic organization and management" (Article 5) and feature several internal bodies (Articles 24 – 27).

However, these requirements do not prevent parties from forming and contesting elections. During the period under review, two new political parties were formally registered: *Chega* (Enough) in April 2019 and *Reagir Incluir Reciclar* (React Include Recycle) in May 2019. This raises the total to 25 registered political parties, of which 13 were registered in the last 10 years. The 2019 legislative elections were contested by 21 different lists, the highest total yet since democratization.

A new law was passed during the current review period, which, following the 2019 legislative elections, will encourage parity for women in political positions and in the administration. This law is likely to improve procedures for registering candidates.

Citation:

On the laws see, for example, *Eleição da Assembleia da República 1 / Outubro/1995: Legislação eleitoral atualizada 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 registration of parties, see: Tribunal Constitucional, "Partidos registados e suas denominações, siglas

e símbolos,” available online at: <http://www.tribunalconstitucional.pt/tc/partidos.html>

https://www.parlamento.pt/Legislacao/Documents/.../LeiParidade_Simples.pdf

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 have a non-negligible audience.

If one considers media access more broadly, access to news programs and political debates is overwhelmingly concentrated on the five main political forces: PSD, PS, CDS, PCP and BE. These five forces have almost entirely monopolized parliamentary representation since 1999. 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 them.

Voting and
Registration
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.

Foreign citizens residing in Portugal are entitled to register to vote in local elections if they are from EU member states, or from Brazil, Cape Verde, Argentina, Chile, Colombia, Iceland, Norway, New Zealand, Peru, Uruguay and Venezuela. Brazilian citizens can also request a statute of equal rights and duties, which grants them the right to vote in legislative elections.

As per previous SGI reports, the substantial inflation of the electoral register remains problematic, generating a problem of technical abstention. Estimates in the aftermath of the October 2019 legislative elections indicated that there were about 796,000 more people on voter registration lists than there are in the voting age population. This is a little higher than the estimates at the time of the previous 2015 legislative election (of around 780,000), but is an improvement on the estimates made at the time of the 2017 local elections (850,000).

As noted in previous reports, this difference reflects the failure of Portuguese emigrants registered to vote in Portugal to transfer their electoral registration to their overseas residence. As Portuguese voters can only vote in the administrative parish (or, if abroad, in the country) in which they are formally

registered, this means that a substantial proportion of Portuguese emigrants are unable to exercise their voting rights.

This issue was partially addressed with the approval in parliament of Law 3/2018. With this law, Portuguese citizens officially residing abroad are automatically registered to vote.

This had a positive effect on the 2019 elections. Thus, the number of registered Portuguese voters in Switzerland increased from just 9,457 in the 2015 legislative elections to 146,795 in the 2019 legislative elections.

However, as also noted in previous reports, this does not fully resolve the issue, as technical abstentions are largely the result of Portuguese emigrants registered to vote in Portugal failing to update their address (and electoral registration) to their overseas residence following emigration.

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:

Lei Orgânica nº 3/2018 [Law no. 3/2018], available online at: <https://dre.pt/application/conteudo/116090196>

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/>

Público (2019), “Portugal tem 796 mil ‘eleitores-fantasma’,” available online at: <https://www.publico.pt/2019/10/18/politica/noticia/portugal-796-mil-eleitoresfantasma-1890500>

Party Financing
Score: 8

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. For instance, the reports and decisions regarding the party

accounts in 2016 were published in September 2019, with a delay of more than two and a half years.

As noted in previous SGI 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.

In the previous report, we noted that this situation appeared to have worsened during 2018 due in part to changes to the party financing law, which came into effect in that year. These measures increased the ECFP’s responsibilities, without increasing its resources (particularly staff numbers). In July 2018, it was reported that the fines applicable to political parties for financing irregularities in 2009 had expired, under the statute of limitations. In September 2018, the ECFP took the unprecedented step of publicly stating that it was in a state of “near break down” and that it would almost certainly be unable to assess all party accounts.

This situation has been reversed during the period under review. The budget for the ECFP more than quadrupled, from €351,649 in 2018 to €1,520,639 in 2019, and the ECFP was able to hire additional staff and improve its resources.

Citation:

Entidade das Contas e Financiamentos Políticos (2019), “2.º ano de mandato – Balanço e Desafios,” available online at: <https://www.tribunalconstitucional.pt/tc/file/ECFP%20-%20Relat%F3rio%20o%20ano%20de%20atividade.pdf?src=1&mid=5417&bid=4119>

Entidade das Contas e Financiamentos Políticos (2018), Deliberação, available online at: http://www.tribunalconstitucional.pt/tc/file/deliberacao_texto_integral.pdf?src=1&mid=4601&bid=3582

Financiamento dos Partidos Políticos e das Campanhas Eleitorais – legislation, available online at: http://www.parlamento.pt/legislacao/documents/legislacao_annotada/financiamentopartidospoliticoscampanhaseleitorais_annotado.pdf

Público (2017), “A Entidade passa a ter muito mais competências, mas muito menos poderes,” available online at: <https://www.publico.pt/2017/12/29/politica/entrevista/a-entidade-passa-a-ter-muito-mais-competencias-mas-muito-menos-poderes-1797503>

Relatório de ECFP 2019 09.27.2019

Popular Decision-
Making
Score: 3

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 in 2012.

Participatory budgets are widely used in Portugal, both at local and national levels. The country is now a world leader in terms of the implementation participatory governance mechanisms and the Costa government was the first worldwide to introduce national-level participatory budgets in 2016/17.

Petitions can be submitted to the Assembly of the Republic. This does not allow for referendums, but it does create more opportunity for public input into political decisions.

Citation:

Público (2018), “Orçamentos participativos espalham-se pelo mundo, com Portugal na dianteira,” available online at: <https://www.publico.pt/2018/10/22/politica/noticia/orcamentos-participativos-espalhamse-mundo-portugal-dianteira-1848283>

<https://www.peticaopublica.com/info/legislation.aspx>

https://www.parlamento.pt/Legislacao/.../ExercicioDireitoPeticao_Anotado.pdf

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 four 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 also added to the roster of free channels.

The national cable television news channels, once restricted to offerings from the RTP and SIC groups, have diversified since 2009 and there are now at least four major players: RTP, SIC, TVI and CMTV.

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 newspaper, which became weekly in mid-2018). The Impresa group held several print outlets, its flagship being the influential Expresso weekly. In January 2018, the Impresa group sold all its titles, except Expresso, to a new group, called Trust in News. This sale included the Visão weekly news magazine.

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, which has a classical liberal orientation, as set out in its editorial statutes.

This diversity results in a degree of pluralism. At the same time, most media outlets – notably newspapers – face considerable financial challenges.

These financial challenges contribute to the considerable volatility in media-ownership patterns, as evidenced by the sale of the Impresa titles.

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 Law 26/2016. 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 less effective than their de jure ability.

Citation:

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

www.ministeriopublico.pt/iframe/sistema-de-informacoes-da-republica-portuguesa

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.

During the previous review period, the government of Portugal passed a law – the National Strategy for Equality – to increase the social and political rights of citizens. The law includes several strategic objectives to be achieved by 2030 and three action plans to be implemented by 2021. The law focuses on promoting gender equality, preventing domestic violence, and combating discrimination on the grounds of sexual orientation and gender identity. A report was produced highlighting the measures already adopted in 2018, though the impact of these educational measures will take time to percolate through to changes in attitudes and behaviors.

Citation:

<https://dre.pt/home/-/dre/115360036/details/maximized>

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 generally well. If there are any lapses, they are due more to bureaucratic inefficiency rather than a conspiracy by the Portuguese government.

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. As the report noted below indicates, Portugal is recognized for having a low level of discrimination.

Nevertheless, two areas of concern remain.

First, the gap between average pay for women and men, which is higher now than in the late 2000s. The most recent data indicates an unadjusted gender wage gap of 16.3% in 2017. This is better than the level in 2016 (17.5%), but it is still above the EU average and well above the levels in the 2000s, when it stood at 8.5% in 2007.

Second, racial discrimination remains a concern. The Commission for Equality and Against Racial Discrimination (CICDR) received and analyzed 346 complaints regarding racial discrimination in 2018, an increase of some 93% compared to 2017 (119). This was the highest number since at least 2000, surpassing the previous high in 2017.

As in the previous SGI review period, the current period was marked by cases of apparent discrimination, which gained considerable media traction. In particular, a video of police violence against people of Angolan origin in a deprived neighborhood in the suburbs of Lisbon (Bairro da Jamaica) in January 2019 sparked considerable public discussion and protests, though with little practical consequence. In the aftermath of this debate, the vice-president of the largest police union spoke of his academic research in which he highlighted the existence of pockets of racism and xenophobia in the police force. He was forced to resign from his post in the union as police officers protested against his comments.

The period under review also saw the conclusion of the trial involving 17 police officers accused of carrying out and then covering up racially motivated attacks on a group of young black Portuguese men in 2015. In total, eight of the police officers were found guilty of some of the charges, although all were acquitted of the charges of racism and torture. The decision was seen as historic, as it was the first of its kind to involve an actual prison sentence for a police officer: one of the officers was sentenced to a year and half in prison (for being a repeat offender), with the other seven receiving suspended sentences. However, the outcome did not satisfy the plaintiffs, who felt that the accused had got off lightly. It also did not satisfy some police sectors, with one police union starting a fund-raising campaign in support of the officers found guilty.

Citation:

Comissão para a Igualdade e Contra a Discriminação Racial, "Relatório Anual 2018," available online at: <https://www.cicdr.pt/documents/57891/0/Relatorio+Anual+2018++VERSÃO+FINAL.pdf/61a87690-3cdd-43e4-ab7f-1f415559fb42>

Eurostat, Gender pay gap in unadjusted form, available online at: <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tesem180&plugin=1>

Público (2019), “PSP abre inquérito à denúncia de violência policial no Bairro da Jamaica,” available online at: <https://www.publico.pt/2019/01/20/sociedade/noticia/familia-denuncia-violencia-policial-bairro-jamaica-1858659>

Público (2019), “Sindicalista histórico demite-se após alertar para racismo na PSP,” available online at: <https://www.publico.pt/2019/05/27/sociedade/noticia/maior-sindicato-ppsp-perde-dirigente-historico-1874346>

Público (2019), “Oito polícias de Alfragide condenados, nove absolvidos. Vítimas vão receber indemnizações,” available online at: <https://www.publico.pt/2019/05/20/sociedade/noticia/julgamento-alfragide-decisao-1873346>

TVI24 (2019), “Sindicato dos Profissionais de Polícia abre conta solidária para agentes condenados da Esquadra de Alfragide,” available online at: <https://tvi24.iol.pt/sociedade/psp/sindicato-dos-profissionais-de-policia-abre-conta-solidaria-para-agentes-condenados-da-esquadra-de-alfragide>

<https://tvi24.iol.pt/...2019/ocde-portugal-tem-niveis-de-discriminacao-muito-baixos-c..>

Rule of Law

Legal Certainty
Score: 7

Portugal is an extremely legalistic society. Legislation is abundant, prolix and complex. Moreover, combined with an ever-present pressure for reform arising from Portugal’s structural problems and a political tradition for new governments to dismiss the measures of previous governments, legislation is also subject to frequent changes.

The combination of overabundant and changing legislation with comparatively weak mechanisms for policy implementation further accentuates legal uncertainty.

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.”

The number of judges in 2018 stood at 1,743, a slight decrease vis-à-vis 2017 (1,771). This number has risen from the early 1990s (from around 1,000) to

2008 (1,712). Since 2008, the number of judges has remained relatively stable, reaching a peak in 2013 (1,816). Nevertheless, there remains a shortage of judges in relationship to the number of outstanding cases, which creates delays within the system.

During the period under review, the Assembly of the Republic approved measures to broaden public access to the courts.

Judges' and magistrates' associations called for strikes over pay and working conditions during the period under review. This resulted in increases for judges' pay, approved in May 2019.

Citation:

Jornal de Negócios (2019), "Deputados aprovam estatuto que permite aos juizes terem salário acima do primeiro-ministro," available online at: <https://www.jornaldenegocios.pt/economia/politica/detalhe/deputados-aprovam-estatuto-que-permite-aos-juizes-terem-salario-acima-do-primeiro-ministro>
 Pordata, "Magistrados judiciais: total e por sexo," available online at: <https://www.pordata.pt/Portugal/Magistrados+judiciais+total+e+por+sexo-1703>
<https://observador.pt/2018/.../associacao-sindical-dos-juizes-estima-90-de-adesao-a-gr..>
<https://www.portugal.gov.pt/pt/gc21/comunicacao/noticia?i=aprovado-novo...>

Appointment of
Justices
Score: 9

The Constitutional Court is comprised of 13 judges, who serve for non-renewable nine-year terms. Of these, 10 are selected by parliament on the basis of a two-thirds parliamentary majority. This generally means that the selection of judges requires, at least, an agreement between the PS and PSD, as the two largest parties together make up more than two-thirds of parliament. Typically, there is no other parliamentary configuration that can secure a two-thirds majority. That said, the PS and PSD have voted for the appointment of other parties' nominees (e.g., Clara Sottomayor, nominated by the BE in 2016; and Fátima Mata-Mouros, nominated by the CDS in 2012), depending on political equilibria. The remaining three Constitutional Court judges are co-opted by the 10 judges elected by parliament. Six of the 13 judges must be chosen from judges in other courts; the others can be jurists.

While criticisms of the Constitutional Court emerge whenever a decision goes against a particular faction or party, the general perception is that the court operates in a balanced and non-partisan manner. The manner of election of judges, with a two-thirds parliamentary majority, tends to help in this outcome.

In May 2019, in a rare resignation, Clara Sottomayor resigned from the Constitutional Court. In September 2019, she explained that she had resigned in protest to the process of elaborating an opinion, which fails to sufficiently safeguard dissenting views within the court.

Corruption
Prevention
Score: 7

Citation:

Magalhães, P. C. (2003). *The limits to judicialization: Legislative politics and constitutional review in the Iberian democracies* (Doctoral dissertation, The Ohio State University).

Maria Clara Sottomayor (2019), “Quem guarda o guardador?,” in *Público* online, available at: <https://www.publico.pt/2019/09/23/politica/opiniao/guarda-guardador-1887519>

Under Portuguese law, abuse of position is 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 weakest links of the country’s integrity system.

While efforts have been made at the state level to tackle corruption – and it is an oft-discussed topic – there remains considerable room for improvement in terms of the implementation of anti-corruption plans.

The Council of Europe’s Group of States against Corruption (GRECO) compliance report published in June 2019 found that Portugal had satisfactorily implemented only one of the 15 recommendations published in 2016, with eight partially implemented, while the remaining six had not been implemented. This marked a minor improvement vis-à-vis the results published in March 2018, with the conclusion being that “the current very low level of compliance with the recommendations remains ‘globally unsatisfactory’.”

This is also consistent with the analysis of the outgoing attorney general, Joana Marques Vidal. In an interview in October 2018, she stated that the political response to corruption had not been effective and was very superficial, and noted the need for additional legal instruments to tackle corruption in Portugal.

Under the helm of Joana Marques Vidal, the Public Prosecution Service (PPS) was considerably more active in dealing with high profile corruption scandals. 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.

In previous SGI reports, we noted a number of high-profile cases. Some of these concluded during the current review period. In the Golden Visa case, which involved a number of high-ranking civil servants and a former minister of internal affairs, Miguel Macedo (2011 – 2014), the sentence was proffered in January 2019, with the former minister being found not guilty, but with two

high-ranking public officials being found guilty. In the Fizz case, a magistrate was found guilty of accepting bribes from a former vice-president of Angola in December 2018. Meanwhile, a number of other cases are ongoing, including the Lex case, involving another Portuguese judge; the Banco Esperito Santo (BES) case, involving a major banker and government officials; and a case involving the main energy company, EDP.

The greater dynamism of the PPS under Joana Marques Vidal has been widely interpreted as indicative of the crucial role of leadership in prosecuting corruption in Portugal. The new attorney general, Lucília Gago, took office in October 2018 and has not shied away from controversial decisions. This was evidenced most recently when the PPS pressed charges against the former minister of defense, Azeredo Lopes (who was in office until October 2018 and served in the first António Costa government). The charges (involving the covering up of information relating to the robbery of arms in Tancos) were submitted on 25 September 2019, in the middle of campaigning for the 6 October 2019 election, which was criticized by the incumbent Socialist Party.

Citation:

Conselho de Prevenção da Corrupção (2018). “Prevenção da corrupção na gestão pública: mapeamento de áreas e fatores de risco,” available online at: http://www.cpc.tcontas.pt/documentos/outros/relatorio_mapeamento_riscos_2018.pdf

GRECO (2019), “Fourth Evaluation Round – Interim Compliance Report Portugal,” available online at: <https://rm.coe.int/fourth-evaluation-round-corruption-prevention-in-respect-of-members-of/1680954185>

Público (2019), “MP diz que Azeredo soube com antecedência da recuperação das armas. Ex-ministro fala de acusação ‘eminentemente política’,” available online at: <https://www.publico.pt/2019/09/26/sociedade/noticia/azeredo-lopes-admitiu-sms-soube-antecedencia-recuperacao-armas-1887986>

Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 5

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 prime minister's advisory cabinet is more influential, but it has to deal with a number of day-to-day demands in addition to offering a long-term view on policy challenges and viable solutions. Immediate issues tend to gain precedence over long-term policy planning. 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. Furthermore, the fact that the period under review was an election year further weakened the capacity for strategic planning, as ministers' attentions were inevitably drawn to the election.

Expert 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 the resources for 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 first Costa government, budgetary implications remained important, as the government sought to maintain its euro area commitments. However, this government also evaluated how policy proposals might impact its parliamentary entente with its parliamentary partners, the Portuguese

Communist Party (PCP), the Left Bloc (BE), People-Animals-Nature Party (PAN) and the Greens (PEV).

It remains to be seen how the new government formed following the 2019 legislative elections will operate. While it is nominally identical – a minority Socialist executive headed by António Costa – it does not have the formal parliamentary support of other parties. Moreover, the new government structure hints at a possible reduction in the internal influence of the minister of finance, which may also have an impact in this regard. However, it is too early to tell, as the new government took office on 26 October 2019, right at the end of the review period for this report.

Line Ministries
Score: 7

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

The minister of finance, Mário Centeno, was by far the most influential minister in the Council of Ministers under the 21st constitutional government that was in office until October 2019. His internal prestige is bolstered by the international recognition he receives as president of the Eurogroup. In many cases, it was Minister Centeno that pushed back on policies. It remains to be seen whether this pattern will be maintained under the 22nd constitutional government that took office on 26 October 2019. As noted in the previously, the new government structure hints at a possible reduction in the internal weight of the minister of finance. However, it is far too early to tell.

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 an inner core of ministers, augmented by other ministers and staff when required. This inner core is an informal group, with a composition that can vary depending on the policy area.

In addition, Council of Ministers meetings are preceded by a formal weekly meeting of junior ministers (Reunião dos Secretários de Estado), which is intended to prepare the Council of Ministers meeting. These meetings of the junior ministers play a crucial role in filtering out and settling more technical issues prior to cabinet meetings. These meetings are chaired by the minister for the Presidency of the Council of Ministers (Presidência do Conselho dos Ministros), who has a seat in the Council of Ministers.

Ministerial
Bureaucracy
Score: 9

There are weekly junior minister meetings, with each ministry represented by one of its junior ministers (known in Portugal as secretaries of state). A key purpose of these meetings is to ensure policy coordination across ministries before proposals reach the cabinet.

These meetings are generally very effective in ensuring policy coordination across government. Furthermore, the work of assessing the various proposals

Informal
Coordination
Score: 7

within each ministry is not restricted only to the secretaries of state who attend the meeting, but also include ministerial advisers and, to some degree, senior public administration officials.

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 government depended on the PCP and BE to pass legislation during the 2015 – 2019 legislature. It appears likely that this pattern will continue under the new government formed in late October 2019.

Digitalization for
Interministerial
Coordination
Score: 6

There is a unit responsible for providing technological support to the government, the Centro de Gestão da Rede Informática do Governo (Ceger).

This has a central remit to manage the government’s IT network (Rede Informática do Governo, RInG). The information on Ceger’s website indicates that there were 32 people working in this service in 2018, with a plan to increase this to 35 in 2019.

Ceger’s services involve basic IT support (e.g., government email, internet access, data protection).

It also has as a remit to provide technological support for cabinet and junior minister meetings, while decree-law 16/2002 stipulates that it should develop common information networks and decision support systems for government.

However, the actual implementation of the latter is ongoing. The existing evidence is anecdotal, but suggests that the full potential of these technologies is as yet unrealized for policy development and monitoring. An indicator of this is that it is not uncommon for ministers to use their own devices (or not to use any device at all) at cabinet meetings.

Evidence-based Instruments

RIA Application
Score: 6

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,” and it has assigned this task to its Agency for Administration Modernization (Agência de Modernização Administrativa).

Documents from the government indicate that it retained 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.

In March 2017, the government approved a trial methodology for evaluating the economic impact of government proposals (the “Custa Quanto?” measure). A report on this trial was published in January 2018, which included the OECD’s evaluation of this measure. In sum, the OECD considered the measure an important first step, although it still lacked some fundamental aspects of RIAs. Overall, the OECD found in its Regulatory Policy Outlook 2018 for Portugal that levels of RIA in Portugal remain well below the OECD average.

In 2018, in the aftermath of a June 2018 Council of Ministers Resolution, the “Custa Quanto?” methodology was formalized. Furthermore, its scope was widened to include not only decree-law proposals but also law proposals by the government, to account not only for the costs to companies but also to citizens and to allow for ex post impact assessments. In total, some 235 legislative projects were submitted for assessment in 2018.

The “Custa Quanto?” is still being improved and developed. The plan for 2019 is, among other things, to “develop a tool that will simplify the undertaking of impact assessments, based on standardized criteria,” according to the ministry’s explanation to parliament regarding its budget for 2019.

Citation:

Governo de Portugal (2018), “Nota Explicativa – Orçamento do Estado 2019 – Apreciação Na Especialidade,” available online at: <https://www.parlamento.pt/Documents/2018/Novembro/NEplicitivaPresModernizacaoAdministrativa.pdf>

OECD (2018), “Regulatory Policy Outlook 2018 Portugal,” DOI: <https://doi.org/10.1787/9789264303072-41-en>

UTAIL – Unidade Técnica de Avaliação de Impacto Legislativo (2018), “Relatório de actividade – Ano de 2017: projeto-piloto da medida “Custa Quanto?,” available online at: <https://www.jurisapp.gov.pt/media/1019/30012017-utail-relatorio-atividades.pdf>

UTAIL – Unidade Técnica de Avaliação de Impacto Legislativo (2019), “Relatório de actividade – Ano de 2018,” available online at: https://www.jurisapp.gov.pt/media/1054/utail-relatorio-2018_final_15042019_publica.pdf

Quality of RIA
Process
Score: 2

Regarding the “Quanto Custa?” trial, the OECD remarked on the need for greater stakeholder involvement. Impact-assessment results are not generally made publicly available or systematically communicated. There are, however, evaluations of impact-assessment quality rendered by the OECD. Though how frequently these are undertaken is unclear.

Sustainability
Check
Score: 2

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.

Quality of Ex
Post Evaluation
Score: 3

A recent study noted that ex post evaluation is very weakly institutionalized in Portugal. The ex post evaluations that take place are largely the result of external pressures (notably, EU requirements) and circumscribed to a limited set of policy areas – usually, those that legally require ex post evaluation.

Citation:

Ana Diogo (2018), “Hacia un sistema integrado de M&E para los objetivos de desarrollo sostenible en Portugal” [dissertation], available online at: <https://www.somosiberoamerica.org/investigaciones/la-evaluacion-de-la-agenda-2030/>

A Avaliação de Políticas Públicas by the GEE – O Gabinete de Estratégia e Estudos, do Ministério da Economia

Societal Consultation

Public
Consultation
Score: 5

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

Policy Communication

Coherent
Communication
Score: 8

Prime Minister António Costa’s government showed itself to be mostly effective in terms of communication and coordination during the review period, despite being a minority government with an unprecedented parliamentary-support coalition.

Implementation

Government
Effectiveness
Score: 8

The government that was in office for most of the period under review was the 21st constitutional government of António Costa, which held office until 25 October 2019. This government was guided by the government program, Programa do XXI Governo Constitucional 2015 – 2019. The government 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 and BE to ensure their parliamentary support. Other

more ambitious goals, such as administrative modernization, were also developed. The government has also been able to successfully reconcile EU demands and world market scrutiny regarding budgetary consolidation, with the no-less-intense demands of its parliamentary allies regarding austerity alleviation. During the period under review, the government was mostly successful in negotiating these pressures and advancing its policy agenda.

However, José Maria Sousa Rego, who was general secretary of the Presidency of the Council of Ministers between 2002 and 2016, wrote a book and has given extensive interviews in which he raised serious questions about the policy achievements of Portuguese governments.

However, regarding the activities of the 21st constitutional government during the period under review, there seems to be a large degree of truth to the report appearing in the newspaper *Público* which signaled clear improvements in investment, exportations and Portuguese industries.

Citation:

Programa do XXI Governo Constitucional, 2015 – 2019.

Jose Maria Sousa Rego, “No centro do power-Governo e Administração Publica em Portugal” Fundação Francisco Manuel dos Santos, 2018

<https://www.publico.pt/2019/.../estado-nacao-governo-considera-ja-cumpriu-81-medi>

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, which held office until late October 2019, were generally aligned with the government program, the fact that the government had to depend on three other parties with very different orientations to pass legislation did create difficulties with regard to ministerial compliance.

Monitoring
Ministries
Score: 7

Ministries in Portugal are not independent of the prime minister. The prime minister is also assisted by the Presidency of the Council of Ministers 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:

<https://www.portugal.gov.pt/pt/gc21/governo/composicao>

<https://www.publico.pt/remodelacao-governamental>

Monitoring
Agencies,
Bureaucracies
Score: 8

Over the course of the 1990s and 2000s, Portugal experienced a proliferation of quasi-autonomous non-governmental organizations, agencies and other structures.

In the context of the bailout, the Passos Coelho government closed and restructured a number of these agencies, while also tightening control over their work in order to reduce public expenditure.

This increased scrutiny generally remains in the current, post-bailout period. Appointments to these agencies seek to ensure fairly high levels of ex ante alignment between the appointee and the government, which constrains bureaucratic drift. At the ex post level, the political staff of ministries monitor the activities of these agencies, paying greater attention to the more relevant agencies.

Task Funding
Score: 7

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. Few tasks are decentralized, which is reflected in very low levels of subnational public expenditure overall. According to available OECD figures for 2017, subnational government expenditure in Portugal accounts for 12.6% of total public expenditure (compared to an OECD average of 40.4%) or 5.7% of GDP (compared to an OECD average of 16.2%). Eurostat data for 2018 indicates that local government expenditure in Portugal accounts for 5.8% of GDP, the sixth lowest in the European Union (behind Malta, Cyprus, Greece, Luxembourg and Ireland) and almost half the EU average (10.6% of GDP).

The 21st constitutional government approved, in July 2018, a deal with the National Association of Portuguese Municipalities, which involves a greater delegation of tasks and increased funding for local governments. Implementation of this decentralization program began in 2019, with municipalities able to selectively adopt elements of the decentralization process between 2019 and 2020. Though all elements of the decentralization package will become mandatory in 2021. According to the government's data, 64.7% of municipalities chose to take on some additional responsibilities in 2019.

Citation:

Diário de Notícias (2018), "Acordo de descentralização fechado. Municípios recebem 7,5% do IVA," available online at: <https://www.dn.pt/poder/interior/acordo-de-descentralizacao-quase-fechado-municipios-recebem-75-do-iva-9542770.html>

Governo de Portugal (2019), "Cerca de dois terços dos municípios aderem à Descentralização," available online at: <https://www.portugal.gov.pt/pt/gc21/comunicacao/noticia?i=cerca-de-dois-tercos-dos-municipios-aderem-a-descentralizacao>

Governo de Portugal (2019), Portal Autárquico – Transferência de Competências, available online at: http://www.portalautarquico.dgal.gov.pt/transferencia_de_competencias

Eurostat (2019), "Government revenue, expenditure and main aggregates," available online at: <https://bit.ly/3giz3nx>

OECD (2018) "Regions and Cities at a Glance 2018 – PORTUGAL" available online at:

<http://www.oecd.org/cfe/PORTUGAL-Regions-and-Cities-2018.pdf>

<https://dre.pt/home/-/dre/118748850/details/maximized>

Constitutional
Discretion
Score: 6

Formally, the central government enables subnational governments to make full use of their constitutional scope of discretion with regard to policy implementation. However, in practice it is the central government that generally has considerable control.

National
Standards
Score: 6

National standards are largely uniformly applied, albeit as a result of the control and provision of most public services by the central government. 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.

Effective
Regulatory
Enforcement
Score: 5

On the whole, government agencies enforce regulations on powerful vested interests largely without bias. While the level of effectiveness is low, this is a general problem in Portugal, particularly when faced by powerful vested interests that are more adept at finding loopholes in Portugal’s complex legal structure.

At the same time, these vested interests may well have the ability to capture and shape regulation toward their interests. As such, government agencies may to some extent be enforcing regulations that are already designed to serve the interests of these interests.

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.

In terms of organizational adaptation, this is reflected in the creation of positions such as the secretary of state for European affairs in the Ministry for Foreign Affairs and the General-Directorate for European Affairs. In addition, almost all ministries have structures designed to interact with the EU level.

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 Co-operation 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 (José Manuel Durão Barroso) and the current secretary-general of the United Nations, António Guterres, are Portuguese, both having been prime ministers of the country.

The Costa government sought to increase the country's influence in terms of shaping the European Union's future. The nomination of Minister of Finance Centeno to the presidency of the Eurogroup was a reflection of this. In addition, António Costa was ranked ninth in the Politico “28 Class of 2018,” which listed “the 28 people who are shaping, shaking and stirring Europe.”

:

Politico, “28 Class of 2018 – The ranking,” available online at: <https://www.politico.eu/list/politico-28-2018-ranking/>

Organizational Reform

Self-monitoring
Score: 5

During the period under review, no substantial measures have been introduced concerning the monitoring of institutional arrangements and there is little evidence of de facto monitoring of institutional governance arrangements. What little monitoring occurs appears to be reactive to political crises or challenges. The rules of procedure for the Council of Ministers make no reference to self-monitoring mechanisms.

:

Regimento do Conselho de Ministros do XXI Governo Constitucional – Resolução do Conselho de Ministros n.º 95-A/2015, Diário da República n.º 246/2015, 1º Suplemento, Série I de 2015-12-17, available online at: <https://data.dre.pt/eli/resolconsmin/95-a/2015/p/cons/20171113/pt/html>

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.

The promise of state reform appears to be a constant theme for all recent governments in Portugal.

II. Executive Accountability

Citizens' Participatory Competence

Political
Knowledge
Score: 5

As noted in previous SGI 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 continues to be regressing as the bailout – and ensuing austerity measures – recede from the horizon. In a Eurobarometer survey carried out in June 2019, a total of 52% of respondents in Portugal had a “strong” or “medium” interest in politics, a roughly similar proportion to 2018 and 2017. This is the second-lowest total within the EU-28 with regard to “strong” and “medium” interest in politics, above only France, and well below the EU average of 63%. Moreover, the proportion of respondents attesting to no interest in politics was 34%, second only to Spain (36%).

This result further strengthens our assessment in previous SGI 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 91 (Data Annex), June 2019. Available online at:
<https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/STANDARD/surveyKy/2253>

Open
Government
Score: 5

Data and information is published by the government. However, it is not comprehensive nor necessarily regularly updated. It is also not easy to locate information, which is dispersed across agencies, ministries, QUANGOs, public administration bodies, and other state and quasi-state organizations.

In addition to the nature of the information, the government provides access to IT so that the citizens, in theory at least, can access data. Whether the available information is very useful is, however, questionable.

The government of Portugal has tried to improve access by launching the e-Portugal portal (eportugal.gov.pt) that provides public access to government information within the framework of the Strategy for Digital Transformation of Public Administration and which might strengthen the public's ability to hold government accountable.

Citation:

<https://www.dn.pt/.../governo-lanca-portal-eportugal-para-simplificar-o-acesso-dos-po..>

Legislative Actors' Resources

Parliamentary
Resources
Score: 5

The Assembly of the Republic 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 parliament do not generally have their own staff and, in most but not all cases, have little ability to rely on expert support. However, this is not due to a lack of funding for support staff. Legislation provides parliamentary party groups with fairly generous subsidies to hire support staff. In 2018, the most recent year for which data is available, total subsidies granted amounted to €8.8 million. As subventions are granted based on the legislation, the total is relatively stable over time.

Parliamentary groups are free to allocate this funding as they choose and set wages for staff accordingly. The overall number of support staff in 2018 was 250, which exceeds the number of parliamentary members (230) and is a small increase vis-à-vis 2016 (238) and 2017 (241). However, support staff for members of parliament are limited, because parliamentary party staff funds are frequently used to pay general party staff rather than staff for the parliamentary group specifically. The former head of ECFP (the independent body tasked with monitoring party financing and accounts) recently noted that funding for parliamentary staff has become “a means for financing parties.”

As such, parliament's capacity to monitor government activity is mainly contingent on legislators' own expertise. During the 21st constitutional government, 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:

Assembleia da República, “Relatório da Conta de Gerência da Assembleia da República – 2018,” available online at: <https://www.parlamento.pt/GestaoAR/Documents/oar/RelCGAR2018.pdf>

Davim, Margarida. 2018. “O caso dos assessores-fantasma,” Sábado, September 13.

Obtaining
Documents
Score: 6

The government is obliged to respond within 30 days to requests for information from the Assembly of the Republic. While there is no data on how it responds specifically to requests from parliamentary committees, delivery of information to requests from members of parliament can be untimely or incomplete.

During the fourth session of the 13th legislature, 15 September 2018 to 19 July 2019, parliamentarians issued 2,583 questions, while 240 questions were carried over to this period as they had not been answered during the previous legislative session. Out of this total, 48% (1,366) were answered. This marks a deterioration vis-à-vis the previous three legislative sessions, in which the proportion of answered questions was 55% (first session), 80% (second session) and 57% (third session).

There was, however, an improvement in terms of the proportion of requests answered by central government, which increased from 7% in the third session to 15% in the fourth session. Nevertheless, these are very low percentages.

As noted in previous SGI 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:

Assembleia da República (2018), Balanço da Atividade Parlamentar – 3.ª Sessão Legislativa da XIII Legislatura, available online at: https://www.parlamento.pt/ActividadeParlamentar/Documents/Estatisticas_Actividade_Parlamentar_XIIILe g/ActividadeLegislativa_XIII_3.pdf

Assembleia da República (2019), Balanço da Atividade Parlamentar –XIII Legislatura, 4.ª Sessão Legislativa,” available online at: https://www.parlamento.pt/Documents/2019/julho/Balanco_Atividade_Parlamentar_CS_XIII_4_1.pdf

<https://www.homepagejuridica.pt/.../4235-app-id-gov-pt-aplicacao-oficial-de-acesso-a..>

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

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

Task Area
Congruence
Score: 9

The Assembly of the Republic has 12 permanent committees, each with a policy focus.

All ministries are covered by at least one committee, although some committees cover areas of more than one ministry. While these committees by-and-large reflect the portfolios of ministries, there is not an exact correlation, as the number of ministries (17) in the 21st constitutional government exceeded the number of committees (12).

The 12 permanent committees are:

- Committee on Constitutional Affairs, Rights, Freedoms and Guarantees
- Committee on Foreign Affairs and the Portuguese Communities
- National Defense Committee
- European Affairs Committee
- Committee on Budget, Finance and Administrative Modernization
- Committee on Economics, Innovation and Public Works
- Committee on Agriculture and the Sea
- Committee on Education and Science
- Health Committee
- Committee on Labor and Social Security
- Committee on the Environment, Territorial Planning, Decentralization, Local Government and Housing
- Committee on Culture, Communication, Youth and Sport

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 of the Assembly of the Republic, after consultation with the Conference of Parliamentary Committee Presidents. Further, each committee can also create working groups for even more specialized tasks.

In addition, and of greater importance for monitoring government ministries, the Assembly of the Republic can create ad hoc parliamentary committees of inquiry. Their specific purpose is, according to the parliamentary rules of procedure, to “assess compliance with the Constitution and the laws and consider the acts of the Government and the Administration.” These ad hoc committees of inquiry have investigative power and judicial authority. During the period under review, three such committees operated. These committees focused on excessive rents for electricity producers, the theft of military equipment in Tancos, and the management and investment of public capital in the state-owned bank Caixa Geral de Depósitos.

Citation:

Rules of Procedure of the Assembly of the Republic, available online at: http://www.parlamento.pt/sites/EN/Parliament/Documents/Rules_of_Procedure.pdf

Media

Media Reporting
Score: 6

Portugal's media landscape is comprised mostly of newspapers that focus on providing high-quality content analyzing the rationale and impact of public policies. Indeed, the country has only one tabloid newspaper (with a sister cable news channel). While these are respectively the most popular newspaper and cable channel in Portugal, it should be stressed that they are very tame compared to other tabloid media in Europe.

The issue in terms of reporting is not so much one of the media's structure but rather of its resources. All media companies face significant financial constraints, which limits their ability to carry out systematic in-depth policy analysis. This often leads media outlets to delegate policy analysis to expert commentators, rather than focus on in-depth journalistic work into policy issues.

In a previous SGI report, we noted the large amount of commentary time allotted to former politicians, particularly on television, a pattern that generates potential conflict-of-interest questions and does not seem to have contributed to improving the quality of policy analysis. The most salient example of the confluence between politicians and television is 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:

<https://vidaextra.expresso.pt/.../2019-03-02-Os-politicos-invadiram-os-media-portugu>.

Parties and Interest Associations

Intra-party
Decision-Making
Score: 5

A total of 10 parties, running on nine lists, won seats in the most recent parliamentary elections held on 6 October 2019. Only three of these parties obtained more than 10% of the vote: the Socialist Party (Partido Socialista, PS), which received 36.3% of the vote and 108 seats; the Social Democratic Party (Partido Social Democrata, PSD), which won 27.8% of the vote and 79 seats; and the Left Bloc (Bloco de Esquerda, BE), with 10.2% and 19 seats.

Of the other lists that obtained seats, the most successful was the Unitarian Democratic Coalition (Coligação Democrática Unitária, CDU) between the Portuguese Communist Party (Partido Comunista Português, PCP) and the Ecologist Party (Partido Ecologista “Os Verdes,” PEV), which secured 6.3% of the vote and a 12 combined seats, which resulted in 10 seats for the PCP and two for the PEV.

In both the PS and PSD, party leaders are directly elected by party members, while party members also elect delegates to the party congresses. 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 short, the members of these two parties elect a leader, who then presents a list for the other positions. The party’s representatives in the government are selected by the leader in consultation (although the advice is not obligatory) with the party’s political commission.

In January 2015, the PS approved new statutes that 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 and 2018 party leadership elections, which reverted to the direct election model previously noted.

BE party members elect delegates that convene at the party’s national convention and in turn elect an 80-member national committee called “Mesa Nacional,” which is elected proportionally. The Mesa Nacional then votes for the party’s political commission, which has 18 members since the 2018 convention. In its 10th convention, held in June 2016, the party changed its statutes slightly, albeit the change did not significantly alter the degree of internal democracy. Due to this change, it is now up to the political commission to elect the secretariat, which is comprised of 10 people since the 2018 convention. 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, who retained her position following the 2016 and 2018 conventions. The party approved some changes to its statutes during the November 2018 convention, though these also do not significantly alter the degree of internal democracy.

Association
Competence
(Employers &
Unions)
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 expressed dissatisfaction at some policies these tend to be reactions to specific government measures rather than ex ante and general policy proposals. And, as most of the policies regarded austerity, to which the government is no longer committed, they have even less relevance today.

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 groups Zero and Quercus). The same is true of religious communities and social interest groups. Interaction with associations appeared to be largely instrumental and related to political or group objectives rather than policy-driven. Few associations have the ability to formulate policy proposals, while those that are able to formulate policy proposals tend to have very limited resources, often relying on the voluntary contribution of qualified members to formulate policy.

Independent Supervisory Bodies

Audit Office
Score: 8

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.

Ombuds Office
Score: 7

There is a judicial ombudsman (Provedor de Justiça), which is situated in the judicial system. It serves as the advocate for citizens' interests. It was created in 1975 and has displayed an increasing level of activity.

The ombudsman's office report (relatório) for 2018 to the parliament reports that the office received 48,129 requests for assistance and initiated 9,338 processes, which is an increase of 20% over the previous year. According to the report, its level of activity is the highest it has been since its creation in 1975. The ombudsman, Maria Lucia Amaral, who has been in the position since 2017 is also head of the National Institute for Human Rights and the National Mechanism for the Prevention of Torture, both of which exist in fulfillment of U.N. agreements.

Data Protection
Authority
Score: 7

Since 1994, Portugal has had a National Authority for Data Protection (Comissão Nacional de Protecção de Dados, CNPD).

The CNPD plays an active role in data protection issues. However, budgetary restrictions, under the previous and current governments, are limiting the CNPD's ability to carry out its tasks. Indeed, the introduction to the most recent CNPD activity report for 2017 and 2018 notes that the authority "cannot

ensure the full execution of its tasks” with the conditions it has been facing. One of the main reasons for this pertains to human resources. The CNPD has seen its staff numbers fall from 26 in 2016 to 22 in 2017 to 20 in 2018.

Though the problem has now been recognized and a new law on this issue was introduced in June 2019.

Citation:

Comissão Nacional de Protecção de Dados, Relatório de Atividades 2016, available online at: https://www.cnpd.pt/bin/relatorios/anos/Relatorio_2016.pdf

Comissão Nacional de Protecção de Dados, Relatório de Atividades 2017-2018, available online at: https://www.cnpd.pt/bin/relatorios/anos/Relatorio_201718.pdf

<https://www.dn.pt/.../parlamento-aprova-lei-sobre-aplicacao-do-regulamento-geral-da>

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