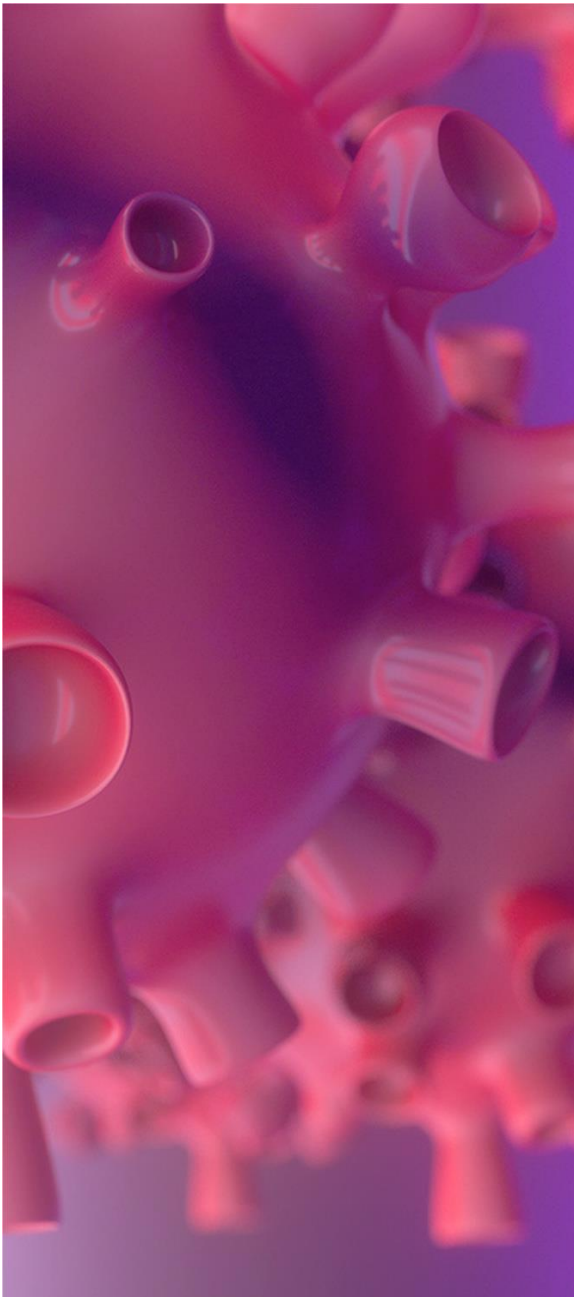

COVID-19 (No. 52)

Legal Flash | Portugal

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- > **Extraordinary support for gradual resumption of activities extended: Decree Law 71-A/2021**



Extraordinary support for gradual resumption of activities extended

Decree Law 71-A/2021 of August 13 extended the extraordinary support for the gradual resumption of activities in crisis-stricken businesses.

The Portuguese Government has extended the period for this benefit indefinitely, “for as long as the measures restricting economic activities remain in force,” to replace the previous deadline of September 30, 2021.

Another measure has also been implemented under which, to access the support, the activity in all the employer’s establishments must be continued (except where facilities or establishments have to close by law or administrative resolution).

This legislation also amended the content and type of support to gradual resumption of activities.

From October 1, 2021, employers with a decline in invoicing equal to or higher than 75% may temporarily reduce the Normal Working Time (NWT), with the following limits:

- i) Reduction of up to 100% of the NWT with the limit of 75% of the employees in the establishment
- ii) As an alternative to point i), reduction of up to 75% of the NWT, including all the employees in the establishment
- iii) Reduction of up to 100% of the NWT for companies in the bar, disco, theme parks, and event planning sectors (if the facilities and establishments have to close under the measures implemented in response to the COVID-19 pandemic)

Finally, also starting on October 1, 2021, the period following the support during which companies may not carry out redundancies (whether collective, due to job position extinction, or due to inadaptability), start their respective redundancy procedures, or distribute dividends will increase from 60 to 90 days.



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Cuatrecasas has set up a Coronavirus Task Force, a multidisciplinary team that constantly analyses the situation emerging from the COVID-19 pandemic. For additional information, please contact our Task Force by email TFcoronavirusPT@cuatrecasas.com or through your usual contact at Cuatrecasas. You can read our publications or attend our webinars on our [website](#).

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