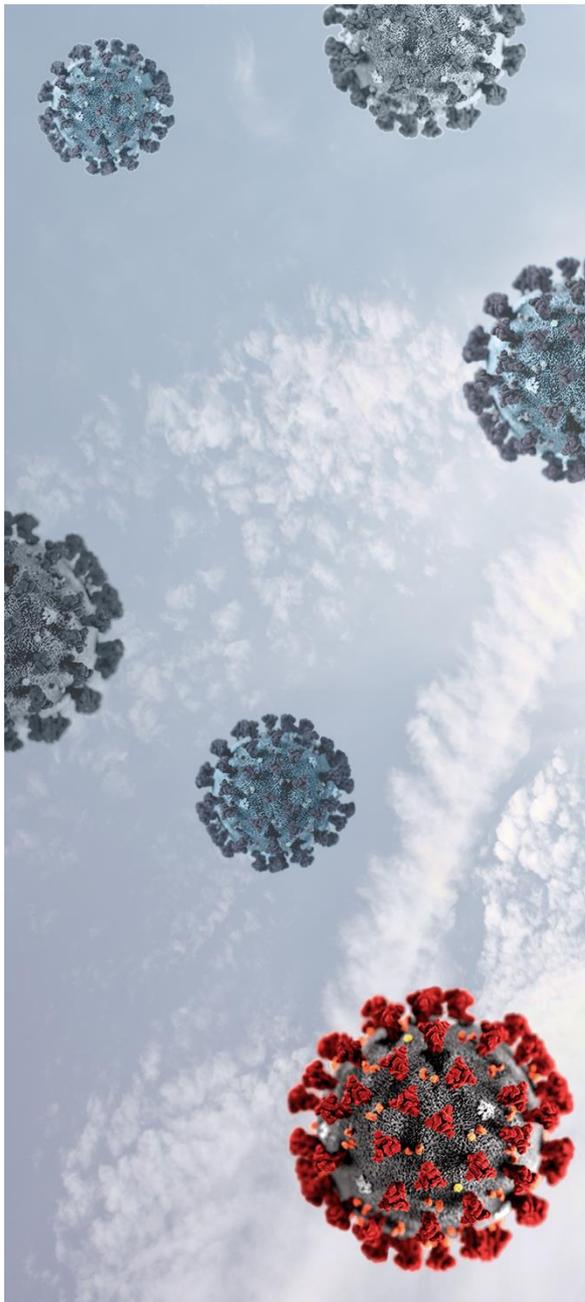

COVID-19: Discount sales

Newsletter | Portugal

May 20, 2020



- > **Businesses reopening and exceptional, temporary scheme for discount sales**



I. Businesses reopening and exceptional, temporary scheme for discount sales

When the state of emergency was declared, most commercial establishments and services that did not sell essential goods or provide essential services had to close.

This situation changed when the state of emergency ended on May 3, 2020, and the strategy for lifting the lockdown measures was approved through Resolution of the Council of Ministers 33-C/2020 of April 30. This strategy involves the gradual reopening of businesses and services in accordance with the size of the establishment.

Stores with a street entrance and a surface area of up to 200 m² already opened on May 4, while those with a street entrance and a surface area of up to 400 m² or parts of them (or larger, if allowed by the local authorities) opened on May 18. All others (larger than 400 m² or in malls) will only be able to open from June 1.

However, it is obvious that commercial establishments that remained closed or whose activity was halted were unable to clear out their respective products, directly or through the services provided, and have accumulated unsold inventories. Therefore, it is crucial for them to sell their stock, not only to clear and renew their products, but also to boost their economic activity.

In this context, the government has just approved an exceptional, temporary scheme for discount sales through Decree Law 20-E/2020 of May 12.

This decree temporarily excludes the application of the rules set out in Decree Law 70-2007 of March 26, on commercial practices for discounts in retail sales in commercial establishments, establishing more favorable rules.

Discount sales held in May and June 2020 will not be included in the annual maximum period of 124 days established in article 10.1 of Decree Law 70/2007. Economic operators are also exempt, during these two months, from issuing the informative statement to the Food and Economic Safety Authority required by section 10.5 of Decree Law 70/2007.



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Cuatrecasas has created the *Task Force Coronavirus*, a multidisciplinary team that focuses on analyzing the current crisis caused by the COVID-19 pandemic. For more information on the contents of this document, you can contact our *Task Force* at TFcoronavirusPT@cuatrecasas.com or get in touch with your usual contact at Cuatrecasas. You can read our publications and attend our webinars through our [website](#).

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