



PORTUGAL



Starting up your own business

The level of entrepreneurship in Portugal is not yet very high. The initiative to set up a company entails a range of risks that must be assessed and important decisions that must be taken, including defining the **legal status** of the company - with implications in terms of the entrepreneur's liability and the liability of the company.

Business carried out by a **single person** must be in the legal form of:

- *Empresário em Nome Individual* (Sole Proprietor);
- *Estabelecimento Individual de Responsabilidade Limitada* (Individual Limited Liability Establishment);
- *Sociedade Unipessoal por Quotas* (Single Shareholder Limited Liability Company).

Business carried out by more than one person may take the legal form of:

- *Sociedade em Nome Colectivo* (Partnership);
- *Sociedade por Quotas* (limited liability company);

- *Sociedade Anónima* (public limited company); or
- *Cooperativa* (cooperative).

The **general procedures** to set up a company, according to the *traditional method*, are still the most widely used. The basic steps are to:

1. apply to the National Registry of Collective Persons (RNPC) for an Admissibility Certificate and the respective Temporary Company Identification Card;
2. deposit the company's share capital with a financial institution, in a bank account opened in the name of the future company;
3. sign the new company statutes, by means of a public notarial deed (optional, unless real estate assets transaction is at stake);
4. apply, within 15 days, to the Local Tax Office for a Start of Activity Declaration;
5. apply to the nearest branch of the Company Registry for registration, publication in the Official Gazette and / or the online Ministry of Justice Legal Acts publishing website (<http://publicacoes.mj.pt>), and registration

6. with the National Registry of Collective Persons (RNPC);
7. register the company with the local Social Security;
8. register with the Commercial or Industrial Record Office at the Enterprise Directorate General (DGE) or at the nearest local office of the Economy Ministry.

It should be noted that the several steps taken to set up a company may be simplified to a greater or lesser extent according to the legal status chosen.

The legislation regulating the setting up of companies in some specific areas of activity must also be borne in mind. The licensing requirements for the (around 60) **regulated activities** are made available at the Business Formality Centres' website (www.cfe.iapmei.pt/cfe_licenciamento_00.php).

Although complex, this process has been developing and certain alternative **simplified** methods of setting up a company have been introduced since 2005:

- **Empresa Online / Firm Online** (possibility of setting up a company only by resorting to the Internet) and



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- **Empresa na Hora / Firm on the Spot** (possibility of setting up a company in no more than one hour by delivering all the requested documentation in any Business Formality Centre or commercial notary, regardless of the company's head office location).

These simplified forms are now available for almost all legal types of company – commercial and civil societies, except when:

- depending on special approval, such as licensing requirements;
- the start-up capital is to be made in assets; or
- creating a European company.

Business Formality Centres (*Centros de Formalidades de Empresas*) are the best service to help you when it comes to formalising companies and licensing requirements.

The Company Portal also provides a gateway to all the services, supporting information and guidelines on the several alternative procedures for starting your own business.

More Information

Company Portal:

www.portaldaempresa.pt/CVE/en

AICEP Portugal Global – Portuguese Investment and External Trade Agency:

www.investinportugal.pt

Investor's Guide:

http://guiadoinvestidor.sysvalue.com/index2_ing.html (some information in updating process)

IAPMEI – Institute for the Support to Small and Medium Enterprises: www.iapmei.pt

Entreprise Europe Network in Portugal:

www.enterpriseeuropenetwork.pt

CFE – Business Formality Centres:

www.cfe.iapmei.pt

Empresa Online (Firm Online):

www.portaldaempresa.pt/CVE/pt/EOL/

Empresa na Hora (Firm on the Spot):

www.empresanahora.mj.pt

Portal do Cidadão (Citizen's Portal) >

Trabalhador Independente/por Conta Própria (Self-employed Worker):

www.portaldocidadao.pt/PORTAL/pt/cidadao/areas+interesse/emprego+e+atividade+profissional/trabalhador+independente+por+conta+propria/

ANE – Businesswomen National Association:

www.ane.pt

ANJE – Young Entrepreneurs' National Association:

www.anje.pt

PRIME – Programme of Incentives to the Economy

Modernization: www.prime.min-economia.pt