Newsletter
COVID-19
Amendments to extraordinary support measures
19 July 2021

Extension of extraordinary support measures

Upon the assessment, on one hand, of the evolution of the epidemiological situation in Portugal in the context of the Covid-19 disease pandemic and, on the other hand, of the economic activity status in the second quarter, the Government has decided to extend some of the extraordinary measures previously approved to support employees and companies.

For this purpose, Decree Law n. 56-A/2021, of July 6, was published and its main outlines are summarized below.

**Sickness Benefit**

The entitlement of both employees and individual contractors to apply to the sickness benefit, when justified by Covid-19, was extended until September 30 2021. The amount of the subsidy is equivalent to 100% of the net reference remuneration, being granted for a maximum period of 28 days and unconditional to a waiting period.

**Extraordinary Support for Progressive Resume of Business**

The possibility for the employer to reduce the regular working hours to 100%, up to the limit of 75% of the employees on duty, in the months of July and August has been extended. Alternatively, the employer remains entitled to reduce until 75% the regular working hours of every employees.

In relation to companies operating in the sectors of bars, night-clubs, recreational parks and event supply or staging, the possibility to reduce until 100% the regular working hours of every employees was also extended for the months of July and August 2021.

**Extraordinary Support for the Reduction of Economic Activity**

The possibility to apply to the extraordinary support for the reduction of economic activity was extended until August 31 2021 to individual contractors, single capital-owners, managers and members of corporate bodies committed to executive functions, whose activity (i) is included in the tourism, culture and entertainment areas and (ii) is in a situation of evidenced suspension of either their activity or the activity of the respective sector, as a result of the Covid19 pandemic.

These measures are effective as of July 1 2021.