

# PORTUGAL

An everyday guide to expatriate life and work.



Together, all the way.™



# PORTUGAL COUNTRY GUIDE

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### Quick facts<sup>1</sup>

**Capital:** Lisbon

**Population:** 10.5 million

**Major language:** Portuguese

**Major religion:** Catholicism

**Currency:** Euro

**Time zone:** GMT (GMT +1 from the last Sunday in March to the last Sunday in October)

**Emergency number:** 112

**Electricity:** 220 volts, 50 Hz. Round, two-pin plugs are most common.

**Drive on the:** Right

<sup>1</sup> <http://www.expatarrivals.com/portugal/essential-info-for-portugal>

## Overview

Beautiful Portugal is an ever-enticing prospect for expats. While there are many who flock to its shores for an idyllic retirement, the country's job market is quite tough to crack.



Portugal revels in a culture similar to that of its Spanish neighbor, blessed with a relaxed people who enjoy the finer things in life. Rural hamlets sit alongside verdant vineyards, while coastal towns, especially down in the Algarve, serve as the perfect destinations away from the hustle and bustle of home.

While the country's charm lies in its gorgeous beaches, enchanting history and superb weather, its big cities are nonetheless modern. Amenities match most of its European counterparts, and expats won't want for contemporary comforts.

This guide will help expats adjust to life in Portugal, providing guidance into accommodation, schooling, healthcare, finances and retirement, as well as tax, cuisine, social and business etiquette, banking, and cost of living.



## Getting Started



### Climate and weather

Portugal has a temperate climate, with mild winters and warm summers. This pleasant environment varies slightly from north to south, with the former enjoying cooler temperatures and the latter being far sunnier and warmer.

Summer sees sunshine across the entire country, with only the north witnessing occasional cold fronts. There is plenty of rainfall throughout the rest of the year, especially November through March, making it a far greener and lush part of Portugal in comparison to the drier regions of the Algarve in the south.<sup>1</sup>

### Visas

Citizens from Schengen states won't require visas for stays of up to 90 days, nor will those from countries on a visa waiver list. EU citizens can also work without a work permit for up to six months. Those who do require a visa should apply at the Portuguese embassy of their home country.

Expats can apply for two types of long term visas, although neither allows employment without a work permit. The first is a temporary stay visa, allowing multiple entries over a period of four months. Alternatively, a temporary residence permit is given to those non-EU citizens for a period of one year, then renewable for periods of two years. After five years, expats may apply for permanent residence.

EU citizens planning on stays longer than three months must acquire a registration certificate. After holding this certificate while living in Portugal for five years, they may request a permanent residence certificate.<sup>2</sup>

### Non-EU expats wishing to work in Portugal

<sup>1</sup> <http://www.climatestotravel.com/climate/portugal>

<sup>2</sup> <http://www.livinginportugal.com/en/moving-to-portugal/residency-requirements/>

require a work permit. Employers will apply to the Portuguese Labor Authorities, after which the expat must complete the process.

### Accommodations

Finding accommodation in Portugal is a fairly painless process, with property guides listing apartments, condominiums, villas and farmhouses. The easiest and quickest way to find available rentals would be through online portals, although enlisting a real estate agent with a knowledge of the language and local areas could be extremely helpful.

Lease contracts usually last for a year, with a deposit amounting to one month's rent a typical requirement. Thanks to its popularity as a vacation capital, short-term letting is common in Portugal. These can perfectly suit those expats who are on a six-month or shorter stay. Smaller options tend to be furnished, with the larger choices coming unfurnished. There's no set practice when it comes to charging for utilities, and this will be dependent on the lease agreement with the landlord.

Thanks to the affordability and absence of restrictions, purchasing property in Portugal is popular amongst expats. Indeed, hardly any paperwork is required, and it's possible to acquire a golden visa, valid for five years, if buying property equal to or exceeding the value of EUR 500,000. Most expats looking to settle find homes either in Lisbon or the Algarve.<sup>3</sup>

### Schools

Education is compulsory for students up until the age of 18, and consists of three cycles in the basic education phase. The last two to three years are spent completing either secondary education or vocational training, with numerous colleges and institutions offering training in technical, practical and artistic skills.<sup>4</sup>

Basic education in the state system is free to both citizens and expats. But throughout all levels, it's generally considered to have poor infrastructure and has Portuguese as the lan-

<sup>3</sup> <https://transferwise.com/gb/blog/buy-property-in-portugal>

<sup>4</sup> <https://www.classbase.com/Countries/Portugal/Education-System>



guage of instruction. As a result, most expats tend to send their children to one of Portugal's international schools, with many found in the regions around Porto and Lisbon. Fees can be extremely high but, on the plus side, curricula are based on the school's country of origin and pupils won't skip a beat when it comes to keeping up with their studies.<sup>5</sup>

<sup>5</sup> <http://www.expatarrivals.com/portugal/education-and-schools-in-portugal>

## Culture

Portuguese society is one that respects hierarchical traditions, with social status and conservative values being important. Much of the population is deeply religious, dominated by the Catholic Church. Both the nuclear and extended family are an integral part of life, forming the foundations of a society which values trust and loyalty.<sup>1</sup>

## Language

The official language is Portuguese, with English being the second most widely spoken language, especially in tourist-heavy regions such as Lisbon, Porto and a large portion of Algarve.<sup>2</sup>

## Social etiquette and cultural faux pas

It's always difficult getting used to a new country, but this section should help expats get to grips with the new social rules and dynamics in Portugal.<sup>3</sup>

- Like many countries around the Mediterranean and Iberian Peninsula, family plays an integral role in Portuguese society. In this sense, the patriarchal and hierarchical makeup has a huge influence on daily life and nepotism in companies and business shouldn't be surprising.
- This top-down authority structure can also be observed in the power and influence of the Catholic Church, with rank in all forms being highly respected and valued.
- A handshake and direct eye contact is the usual form of address between strangers. In terms of friends, men may embrace one another while women typically kiss each cheek, beginning with the right.
- The Portuguese highly value appearance, believing it to be a very clear indicator of status and success. Wearing high quality outfits and material, especially in the city and urban areas, can be vital in making a good first impression.
- If invited to dinner, make sure to dress formally and conservatively. Appropriate gifts to bring are wine, flowers or chocolates. Never bring chrysanthemums as these are a symbol

for death, often used at funerals.<sup>4</sup>

## Eating

Perched on the Iberian Peninsula, Portugal naturally enjoys a diet dominated by fish and other seafood. Containing a massive Mediterranean influence and flavors from former colonial territories further east, its cuisine incorporates an array of spices and herbs with peri-peri, garlic and black pepper extremely prevalent. Sole, sardines, salmon and trout are regularly spotted in fishmongers' windows and butchers provide ample supply of beef, pork and goat. Indeed, being a vegetarian here is tough, with traditional palates revolving around meat.<sup>5</sup>

Meals commonly found on local tables include salted cod, grilled chicken, a pork and clam dish called carne de porco à alentejana, and tiras de choco frito, a serving of sliced breaded cuttlefish. Specialties by region include Pastéis de Belém from Lisbon, a type of egg tart; Pão de Mafra, a bread from Mafra which also boasts the fradinho cake; and Sintra's travesseiros, a sweet puff pastry of almond cream.

## Drinking

Portugal is the home of port, the eponymous fortified wine which is drunk both as an aperitif and a dessert. Interestingly, the product can only be named as a port wine if the grapes have been harvested in the Duoro Valley and fermented in Porto.

Green wine is also unique, originating from the northern province of Minho. Vinho Verde, as it's known in Portuguese, is light, refreshing and affordable, and best served with fish dishes.<sup>6</sup>

Drinking is common. Starting early in the evening or afternoon, consumption is slow and gradual as they prefer to savor their drinks. Excess is rare. Instead, beverages are enjoyed between food, cups of espresso and a salty sparkling water called agua de pedros.<sup>7</sup>

<sup>1</sup> <https://www.commisceo-global.com/country-guides/portugal-guide>

<sup>2</sup> <http://www.golisbon.com/practical-lisbon/language.html>

<sup>3</sup> <https://www.commisceo-global.com/country-guides/portugal-guide>

<sup>4</sup> [http://www.ediplomat.com/np/cultural\\_etiquette/ce\\_pt.htm](http://www.ediplomat.com/np/cultural_etiquette/ce_pt.htm)

<sup>5</sup> <https://wikitravel.org/en/Portugal#Eat>

<sup>6</sup> <http://liveportugal.pt/en/travesseiros-piriquita-sintra/>

<sup>7</sup> <http://www.portugalbuyingguide.com/living-in-portugal/culture-customs>



## Holidays

Public holidays are primarily taken from key religious dates in the Catholic calendar. There may also be local or regional holidays where leave will be considered at the discretion of the employer. Days celebrating saints aren't always considered public holidays and employees are once again at the mercy of their contract or employer.<sup>8</sup>

New Year's Day - 1 January

Good Friday - March or April

Easter Sunday - March or April

Freedom Day - 25 April

Labour Day - 1 May

Portugal Day - 10 June

Assumption of the Virgin Mary - 15 August

Feast of the Immaculate Conception - 8 December

Christmas Day - 25 December



<sup>8</sup> <https://publicholidays.pt/>



## Getting in touch

Portugal has a modern and efficient telecommunications sector, with broadband connectivity available throughout. Installation of landlines is a simple process while internet speeds are generally good.

### Telephone

When it comes to installing landlines, the biggest company is Portugal Telecom. It leads the pack ahead of choices like NOS, ARTelecom and Vodafone. Homes more often than not have landlines installed already, and getting connected might be as simple as opening a Portugal Telecom account.

As can be expected, international calls can be expensive so expats should look into downloading Skype for use on a mobile. There are a few options when it comes to mobile service providers, namely Vodafone, Nos and TMN. Expats can purchase a contract or operate on a pay-as-you-go basis.<sup>1</sup>

### Internet

It's easy to set up a high-speed internet connection in the big cities like Lisbon and Porto, with fiber optic steadily making its way to homes throughout the country. In Portugal, there are often package deals that also add television and telephone services. Major internet service providers include NOS, Telecom Portugal, MEO and NOWO.<sup>2</sup>

### Postal Services

Correios de Portugal functions as the official postal service of Portugal, having been in operation since 1520. Delivery types include ordinary mail, economy mail and airmail. During the week, opening hours are from 8.30am to 6pm while on Saturdays, it closes at 12pm.<sup>3</sup> Private courier services include DHL and FedEx.

### Transport

Traveling throughout Portugal is easy enough, with most expats choosing not to use a car. Cities such as Porto, Lisbon and Faro have

well-functioning public transport systems that make getting around a fairly painless task, but this infrastructure doesn't reach more remote and rural areas.

While trains run by Comboios de Portugal are an ideal choice for intercity journeys, they aren't as frequent or affordable as other services. Some expats may instead opt for the bus because of its more comprehensive routes that stretch inland, with the biggest company being Rede Expressos.

Urban hubs usually have a variety of options, including trams, metros, taxis, buses and trains. Roads are in good conditions, although standards aren't as high in more remote regions. Local drivers can be aggressive and erratic, with the state clamping down on individuals who drive under the influence, speed or without a valid license. Expats should look to invest in a GPS as road signs are either rare or unclear.<sup>4</sup>



<sup>1</sup> <http://www.apartments-lisbon.com/p771-guide-living-lisbon-setting-phone-network.html>

<sup>2</sup> [https://www.expatica.com/pt/moving-to/Setting-up-internet-in-Portugal\\_105624.html](https://www.expatica.com/pt/moving-to/Setting-up-internet-in-Portugal_105624.html)

<sup>3</sup> <https://www.lonelyplanet.com/portugal/post>

<sup>4</sup> <http://www.expattarrivals.com/portugal/transport-and-driving-in-portugal>

# Employment

## The job market

Finding employment in Portugal is difficult for locals and expats alike. But there are still vacancies in industries such as automotive, textiles, oil refining and tourism, while up-and-coming sectors include the ever-growing world of information technology, green energy and biotechnology. The city of Évora is also set to nurse the country's young aerospace industry, opening up opportunities for engineers and researchers.

Having said this, the unemployment rate in Portugal is high, sitting around 10%. This extends not only to working class citizens, but to an experienced market who hold university degrees and professional qualifications, making it that much harder for job-seeking expats.

## Income tax

If staying in Portugal for 183 days of the year or longer, a person is considered a resident for tax purposes and must pay taxes on both local and international income. The amounts are determined on a progressive scale, ranging from 14.5% through to 48%. This is automatically deducted from an employee's salary. Expats residing in the country for less than the 183-day period pay tax only on local income. This is done on a flat tax rate of 20%.<sup>1</sup>

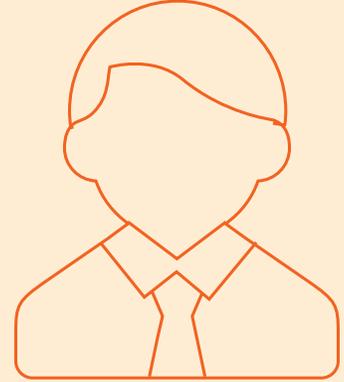
## Retirement

Living in Portugal is quite affordable. That, coupled with its glorious, balanced climate and gorgeous landscape, makes it a popular destination for retiring expats. Preferred destinations include Lisbon, Cascais, Coimbra and Tomar, with the seaside of the Algarve proving the most common choice amongst Brits and Americans.<sup>2</sup>

## Business etiquette

The Portuguese working environment isn't too dissimilar to most of its Western neighbors. There are a few things to observe, however.

Hierarchy, in particular, is important, with many companies functioning on a top-down level of authority. Because of this, seniority and rank are highly valued in most companies and as such, there's little collaborative decision making.<sup>1</sup>



Dress code is formal, with office attire mainly consisting of suits and ties for men while the dresses and suits worn by women should be modest and professional. Importantly, it's best to ask colleagues before removing a jacket during a meeting. Eye contact is expected during communication and a handshake to men, women and children is considered the normal way to greet.<sup>2</sup>

In terms of punctuality, the Portuguese are fairly relaxed. While expats should always adhere to time expectations, they should not be surprised if locals arrive a little late. Most enjoy doing business with people they know and trust, and so getting to know one another is a vital part of corporate life. While much of the younger generation can speak English, it's wise to have professionally translated documents at hand as well as an interpreter for specific meetings.<sup>3</sup>

<sup>1</sup> <https://commisceo-global.com/country-guides/portugal-guide>

<sup>2</sup> [http://www.ediplomat.com/np/cultural\\_etiquette/ce\\_pt.htm](http://www.ediplomat.com/np/cultural_etiquette/ce_pt.htm)

<sup>3</sup> <http://www.kwintessential.co.uk/resources/guides/guide-to-portugal-etiquette-customs-culture-business/>

<sup>1</sup> <https://www.expertsforexpats.com/expat-tax/expat-tax-advice/tax-in-portugal-for-expats/>

<sup>2</sup> <https://transferwise.com/us/blog/guide-to-retiring-in-portugal>



## Financial

### Currency

The official currency is the Euro (EUR), which is divided into 100 cents.

Money is available in the following denominations:

- Notes: EUR 5, EUR 10, EUR 20, EUR 50 and EUR 100
- Coins: 1c, 2c, 5c, 10c, 20c and 50c, and EUR 1 and EUR 2

### Cost of Living

The cost of living in Portugal isn't high, attracting many expats from both Europe and across the world. Because of its affordability, it's also an extremely popular option for retirees. Big urban centers such as Lisbon and Porto will naturally be more expensive places to live compared to smaller towns and more rural regions.

Accommodation is affordable in relation to most of Portugal's European neighbors, barring the villas of coastal resorts and golf courses. In fact, because of its cheap market, many expats choose to purchase property in Portugal, differing greatly to the usual renting practices of expats around the globe. Getting to and from one's abode is also a breeze, with public transport both economical and efficient.

Groceries will definitely not cut into one's budget, especially for those who enjoy seafood and wine. Education, on the other hand, will potentially cost expats a fair chunk of their paycheck. Because of the inadequate standards of free public schools, parents usually send their kids to private and international institutions.<sup>1</sup>

## Banking

There's nothing too complicated when it comes to banking in Portugal. The biggest bank is Caixa Geral de Depósitos, followed by Banco Comercial Português, Banco Português de Investimento and Novo Banco.

Additionally, Multibanco operates as an interbank network which links 27 banks. ATMs within this network offer services that other countries' ATMs don't normally offer, such as payment of utility bills and income tax, purchasing of concert and cinema tickets, and contributions towards social security.

Opening a bank account in Portugal is straightforward, with expats simply needing to go to the bank with their required documents. These vary depending on whether one is an EU or non-EU citizen.<sup>2</sup>

## Health

Healthcare is a mixed bag in Portugal. While there is a relatively good private sector, public healthcare leaves a lot to be desired. State facilities tend to have overcrowded waiting rooms, backlogs of appointments for specialists and long queues for procedures. But public healthcare does offer free or subsidized dental services, hospital stays, GP consultations and emergency ambulance services. Expats from both EU and non-EU states who qualify as residents in Portugal will need to acquire a National Health Service card in order to use the free or heavily subsidized state facilities.

EEA residents should get a European Health Insurance Card in order to gain access to these services.<sup>3</sup>

<sup>1</sup> <http://www.exparrivals.com/portugal/cost-of-living-in-portugal>

<sup>2</sup> <http://www.exparrivals.com/portugal/banking-money-and-taxes-in-portugal>

<sup>3</sup> <https://www.ehic.org.uk/Internet/startApplication.do>

## Private Medical Insurance

Private medical care in Portugal is far better, but much more expensive than its state counterpart. Through paying private health insurance, expats will have access to modern technology and equipment, far shorter waiting lists and a greater choice when it comes to medical practitioners. These private institutions are largely non-existent in rural regions and are mostly found in the urban areas and tourist cities.<sup>4</sup>

## Emergencies

In the event of an emergency, expats can dial 112 to contact emergency services. These include medical, fire and police emergencies. Both the Azores and Madeira use their own emergency services, but these are still contactable via 112. The emergency services are well-trained and fairly bilingual, especially in the tourist areas.<sup>5</sup>

## Pharmacies

Pharmacies are widespread throughout the country, providing both over-the-counter and prescription medications. If offered a prescription for a regular drug, make sure to accept as the price will be greatly reduced. Opening times are normally from 9am to 6pm.

## Health Risks

There aren't any significant health risks associated with travel to Portugal.

## Vaccinations

There are no specific vaccinations required. However, routine vaccinations for measles, mumps, rubella, diphtheria, tetanus, pertussis, chickenpox, polio and influenza are recommended. Some may need vaccinations for hepatitis A, hepatitis B and rabies.<sup>6</sup>

<sup>4</sup> <https://www.pacificprime.com/country/europe/health-insurance-in-portugal/>

<sup>5</sup> <https://ec.europa.eu/digital-single-market/en/112-portugal>

<sup>6</sup> [https://wwwnc.cdc.gov/travel/destinations/traveler/none/portugal?s\\_cid=ncezid-dgmq-travel-single-001](https://wwwnc.cdc.gov/travel/destinations/traveler/none/portugal?s_cid=ncezid-dgmq-travel-single-001)

