



## **Response to Joint Questionnaire of Special Procedures Protecting human rights during and after the Covid-19 June 2020**

### **Introduction**

The Portuguese umbrella organization 'Housing for All' ('Habitação para Toda a Gente') and its executive group, comprised of ten (10) human rights activists representing social movements, collective groups, associations, housing organizations, individuals, civil society stakeholders and academic institutions, having come across the existence of this appeal, at last notice, decided to respond to the challenge proposed by the questions of the United Nations Special Rapporteur on the right to adequate housing despite the limitations, due to time constraints and with regrets of being unable to further elaborate and answer all other relevant general and common questions presented in the questionnaire.

'Housing for All', members believe that it is of crucial importance to collaborate and share national and local reports with the United Nations Special Rapporteur on the right to adequate housing on the wake of the COVID-19 pandemic to make it aware of the ongoing human rights violations in Portugal concerning this fundamental right.

### **Violations from a Human Rights perspective!**

By Luís Castro - Member of The Board of "Vizinhas em Lisboa" & Human Rights Activist

Forced evictions without taking into account the United Nations recommendations and guidelines and the inefficient recurrent use of legislative instruments (laws, regulations and administrative procedures) that provide shelter for discrimination, called in this case "positive discrimination" (which is not the same as "affirmative action"), are still commonplace in the Portuguese legal framework. Moreover, it has been generalized by the judiciary and the accepted doctrine that the positive right (which in this case is a guarantee), prescribed under article 65º of the Portuguese Constitution is not to be exercised or invoked in its full extent by the people. Most high courts and even the Portuguese Constitutional Court decisions consider that the right to housing enshrined in the Constitution is of a mere programmatic value, restricting in consequence, its immediate application. Nothing could be further from the truth in our view. This manipulative approach of the fundamental right has been the source of its unnoticed violation over the last 45 years but especially after 2006 with the new Tenancy Law (NRAU).

In our opinion, however, we claim that the CESCR General Comment n°3 on the 'The Nature of State Parties' Obligations' (Art. 2 Para. 1, of the Covenant) clarifies any doubts one might have regarding this matter. The term used in the binding text is not "programmatic" but "progressive" or "progressively", which accounts for a different semantic value. The "programmatic" assessment of the term gives enough leeway for it to be deprived of any efficient meaning leaving it to the legislator's whim the initiative or not to start constructing real protections under that particular use of the language. The "progressive" term remits to an imperative construction towards a specific goal that is never deferred in time but is flexible to accommodate different economic environment realities.

Also, there is another element to be considered in our approach. If a right granted is positive in nature or/and can not be exercised immediately (making it not justiciable), like in the Portuguese case, because of its "programmatic" value, then it must be the case that the same right can have a negative nature that one can summon at any time which is to say immediately. Otherwise, we would be presented with a meaningless norm, devoided of any value! In practice, this means that if the understanding is to recognize that the right to housing is not achievable because the state does not have enough resources to make it possible/available to all people. Then it can not construct laws or norms that put the very core of the said fundamental right at stake without creating an intolerable and unacceptable human right violation (i.e. by producing a law/norm which allows for generalized evictions without offering a remedy and definitive solution of identical value to the one just destroyed). Should evictions, occur in such or similar terms, those would have to be considered a "forced eviction" not permitted under the International Covenant of Economic Social and Cultural Rights (ICESCR). That is what is happening with the current tenancy law in Portugal under the name of NRAU. Since 2006 this law has been responsible for thousands of prohibited evictions under the understanding of the international covenants and conventions.

The impact of the pandemic today and on the future, on the universal right to adequate housing in Portugal and specifically, the direct consequences on those that lack financial resources or belong to groups subject to or at risk of discrimination, is still unknown and to be disclosed but must be considered immediately! Failing to do so may result in a new wave of evictions after the 30th of September 2020. This date marks the end of the evictions moratorium (suspension) under the current law. We foresee that without aggressive and long-lasting measures by authorities protecting people, the new wave of evictions, as a result of unpaid rents or mortgages to landlords or banks due to forced pandemic unemployment or lay-offs, will inevitably give rise to a situation of social instability and social conflict.

Tourism that justifies for about 10% of the Portuguese GDP is expected under the current government forecasts to be strongly affected by the pandemic aftermath. Many activities, especially the one's dependents on the flux of tourists, like Airbnbs and hotels', suffer the most. Current unemployment projections for the 2nd quarter of 2020 reveal a global scenario of about 13% unemployment rate. This situation poses a risk to the stability of entire households and a threat to families, that depend on their home to get the only immediate and direct protection from adverse elements or to avoid a state of homelessness.

The President of the Institute for Housing and Urban Renovation (IHRU), attended a public hearing at the Portuguese Parliament on the 16th of June 2020. There, reported and informed the 6th Commission (covering issues related to the Economy, Innovation, Public Works and Housing) of current relevant matters regarding the availability of public housing and other housing programmes set at central or local levels. So far, only fourteen (14) municipalities submitted their strategic housing policy briefs for evaluation and funding with another one hundred and forty-six (146) trying to finish theirs. These results show that there are still 148 municipalities that have not even started to plan their local strategic housing policy and, therefore are not eligible for funding or support under most programmes.

The government estimated in 2018 that about 26.000 (twenty-six thousand) families lacked proper or adequate housing and has been trying to update that figure without success. We calculated that the numbers were an underestimate and that the real total was at least 55.000 families. What the pandemic ends up showing is that the government estimate was wrong. The numbers are due to the delivery of the previously mentioned fourteen (14) municipal strategic housing policy briefs which account for an increase of 77% in families at risk.

The paradox is that in Portugal, there are enough houses available (surplus of more than 700.000 empty homes - seven hundred thousand) to address the current housing crisis, but are holding hostages of international property funds or of the well-established local banking system interested in securing loans and profits at the cost of speculative prices. Even with the pandemic, prices are kept at a record high, because the housing market is manipulable! That is mainly possible because of intentionally disruptive public policies as well as legislation that should be tackling these issues but are part of the problem. Powerless laws, lack of regulation, lack of transparency, corruption and an inert judiciary are sources and instruments promoting the speculative and undercover move of international agents of gigantic transnational property funds.



It is a matter of great concern to us to realize that the Portuguese Government and Portuguese Social Institutions are still failing considerably to provide the minimum dignity and security to its population after more than 70 years have passed since the signature of The Universal Declaration on Human Rights, the European Convention on Human Rights and more than 50 years on other related Human Rights Instruments (namely the ICESCR and ICCPR). We recall that the Right to Housing has been inscribed in the current Portuguese Constitution since its foundational moment 45 years ago, but sadly has never been given a chance.

Activists and humanitarians were celebrating and hopeful when last year (2019) a new and structural law for the future of housing policies was finally approved in Portugal – '**Lei de Bases da Habitação**' (Foundational Law for Housing). This much-awaited law was the product of intense pressure and negotiations over many years with recurrent setbacks and advances that left the country on the limbo for too long. The new law was made possible to the unwavering persistence of a few heroes that brought it to light, among those, a name keeps appearing over and over again - Helena Roseta. A lifetime inside and outside the Portuguese Parliament dedicated to a cause that finally achieved another important collective goal.

The new law covers most points one would like to see included in such a pivotal document. The points that seem to be weak in their wording to the most demanding eyes are the ones that probably took the parties to compromise the most. It is not a perfect law nor a definitive one, but it is the most important fundamental and human rights document that came out of the Portuguese Parliament in decades.

But, the task is still to come to a finish. The law was published on the 3rd of September 2019 and became partially-enforceable one month later. We say partially-enforceable because some norms still need to be subject to regulation and many previous existing ones need to be revised so that they comply with the newly foundational one. This task was to take place within the next nine (9) months after its publication. That means that by now, that time has come and gone leaving this structural instrument to be only partially enforceable.

We hope the reason for that is just because the pandemic is to blame, and the law regulatory framework comes to light at any moment now. This law might be the lifesaving boat to rescue many after the end of the prohibition of the eviction's moratorium.

## **The Questionnaire and some answers**

By Luis Mendes - Lisbon Tenants Association (AIL)

The situation of an authentic State of Exception in Portugal due to the expansion of the COVID-19 pandemic and the triggering of the state of emergency with the mandatory social isolation and quarantine, as well as limitations to the freedom of movement and economic activities, intensified the discussion around the right to housing in Portugal. The collectives and associations that defend this right were able to capitalize on it as a human right due to the difficulty of access to housing in conditions of dignified habitability and that allow the isolation required by the political health authorities, catapulting this issue to the top of the social and political agenda.

Digital protests, campaigns, petitions or even open letters and memoranda addressed to political authorities with responsibility in the matter have multiplied. On March 16, the Lisbon Tenants Association sent a letter to the Prime Minister, to all government and parliamentary groups suggesting that taking into account the gravity and exceptionality of the COVID-19 moment, evictions should not only be suspended, how the suspension of the rental legislation should be decreed with regard to terms, which should only start counting after the contingency period. It was considered that landlords should not be able to invoke the denunciation or opposition to the renewal of the rental during the contingency period. Finally, it was also defended the deferral of the payment of instalments of loans for the purchase of housing by the ordinary citizen or in the case of the acquisition of property for social, cultural associations, etc. All these measures as a way of protecting the family home while the pandemic and quarantine situation persist.

That weekend, the 'Habita Association' and the 'Stop Evictions collective' had produced a manifesto entitled "How to do quarantines without a home?", Subscribed by more than 50 associations and collectives, including the 'Morar em Lisboa' platform. This manifesto gave rise to a petition that gathers around 3500 signatures. The manifesto calls for an immediate end to the evictions, the immediate resettlement of all evicted people and families and those living on the street, the requisition of empty houses, be they tourist, luxury or municipal apartments, for emergency resettlement. On the other hand, they also ask for the suspension of the payment of rent for houses for all people affected by the crisis, the suspension of the payment of housing loans and mortgages, the suspension of rent for social spaces, such as collectives and associations, as well as the suspension of income from small businesses and small businesses affected by the crisis.

In this recent dramatic context of the expansion of the pandemic and the contingency plan COVID-19, the intervention of these and other associations were essential to compel representative democracy to understand and act in conformity with the categorical imperative of defending housing for everyone. Some more moderate, others more radical, some more institutional, others more basic, reveal an effort of participatory citizenship towards another political agenda. But the greatest value of this broad spectrum of intervention, quite differentiated, is precisely in the diversity of action, but, above all, in the complementarity, integration and unity in the struggle.

The Assembly of the Republic (National Parliament) welcomed with approval and with a sense of urgency some of the proposals made, and the consensus of the plenary led the President of the Republic to finish promulgating Law 1-A / 2020 on the 19th of March “Exceptional and temporary measures response to the epidemiological situation caused by the SARS-CoV-2 coronavirus and the disease COVID-19” where eviction actions, special eviction procedures and processes for the delivery of the rented property are suspended when the tenant can be placed in a situation of fragility due to lack of housing.

On the other hand, an extraordinary and transitional regime for the protection of tenants was created, which determines that until the cessation of prevention, containment, mitigation and treatment of epidemic infection COVID-19, as determined by the national public health authority, complaints of housing and non-housing rent agreements (commercial and associative) made by the landlord and foreclosure on the property that constitutes its own and permanent housing are prohibited.

The Lisbon Tenants Association made a critical statement on these measures approved by the government, in spite considering them very positive, but clearly insufficient. It is important to bear in mind that in the context of Portuguese society there is a big difference between landlords, from private individuals to entities of different legal nature and of economic and financial capacity - investment funds, banks, insurance companies, speculators, social institutions, foundations, etc., in addition to the public owners: the central state and the city halls. Therefore, in the view of Lisbon Tenants Association, for different situations, different solutions and measures will be justified.

Taking these aspects into account, the Tenants Association have already submitted a set of suggested measures for this purpose during the period of declaration of the state of emergency.

Let us review the measures suggested in the context of the state of emergency.



If the housing tenant has, evidently, his income reduced as a result of the closure or suspension of the activity on which he depends, whether employed or self-employed, at least the rent must be reduced by an equal percentage, maintaining the same rate of effort.

Such a measure, which implies a reduction in rent, may impose subsidies on certain landlords. That is why it is proposed that only private landlords can be subsidized if they so request, but imposing limitations. Thus, if the rent charged is speculative - higher than 1/20 of the current Tax Asset Value - the landlord will not be entitled to the subsidy, bearing the reduction of his income, like many other citizens. This subsidy must be supported by the State Budget and requested from the Institute of Housing and Urban Rehabilitation, so as not to overburden Social Security.

Alternatively, these private landlords could opt, requesting the tax authority, for a tax benefit of income tax exemption in the period, considering only the reduction of rents that could benefit from the subsidy.

With regard to non-private landlords, two measures should be taken. One measure concerns the reduction of rent in the event of a reduction in the tenant's income, paying landlord entities with this reduction without the right to any subsidy or tax benefit since they already have enough. Another measure could be identical to that already foreseen for the financial sector, that is, a moratorium on the payment of rents to tenants, whether residential or non-residential (commercial, associations, etc). These are the minimum measures.

In this context, the Lisbon Tenants Association disagrees and disputes that, as regards housing leasing, the financing and consequent indebtedness of the families will be foreseen to pay the rents when and in case they see their income reduced.

This indebtedness would overburden the families' future effort rate as they will have to pay the rent plus the amortization of the financing and the respective interest, that is, they would have to bear two rents. And this without guarantees that their income will be fully restored, or their jobs will survive, or their collaboration will continue to be necessary, as the current economic and social crisis may last for a long time.

It is extremely difficult to have an exact number of evictions during the pandemic, mainly because there is no organized accounting by the Portuguese authorities on this matter, and eviction is experienced in Portugal with a lot of social shame, which makes it difficult to collect testimonies. Although, in general, there were no evictions, even due to the moratorium created by the government in a state of emergency, two more media cases involving dozens of people

were reported, regarding evictions, but of illegal occupations: those in Bairro Alfredo Bem Saúde, in Lisbon; and that of a Homeless Support Center, in Arroios.

The evictions of houses in Bairro Alfredo Bensaúde, in Olivais, Lisbon, occur the day after the declaration of the “state of emergency” because of the pandemic of the new coronavirus. The complaint is made by the Habita association, which appeals to the Lisbon City Council - and also to the Government - to stop all unsolved evictions, especially at the time of a pandemic crisis that the world is going through. And they even admitted filing a complaint against the state to the United Nations Committee on Economic, Social and Cultural Rights, if the evictions continued.

The local associations accused the City Council and the State of violating Human Rights in this mass eviction process when they were carried out without any housing alternative, without analyzing case by case the situation of each family and their conditions and without monitoring the children who are part of these families.

The city council, however, rejects these criticisms and says that in all the eviction actions carried out so far, no family has been left without a housing alternative or temporary response from the social network, in cases where this need has been verified. But the municipality stresses that it cannot force these solutions to be accepted. The eviction actions only take place after all the lengthy contacts and defined notifications have been fulfilled - as well as the appropriate follow-up in the scope of social support for these families, the municipality guarantees, although the residents say they have not received any notice.

Local associations insist that evictions continue in a global pandemic situation, pushing these families out onto the street without access to hygiene care, or in overcrowding in a close proximity regime, raising health risks for themselves and everyone around them. It was this same warning that two representatives of the residents left at the session of the Lisbon Municipal Assembly the following week, which the public was unable to enter, due to an alleged threat of invasion of the facilities. Outside the building, where these sessions are taking place, several Roma/gipsy families were gathered in protest for the evictions carried out in the Alfredo Bensaúde neighbourhood.

The municipality has not clarified whether it will proceed with the evictions. Before remembering that the vacant houses were assigned to other families, who were legitimately waiting for this housing response due to the application submitted and verified in accordance with the criteria contained in the Municipal Housing Regulation, which is the same for everyone.





Another case was the eviction of Seara - Center for Mutual Support of Santa Bárbara, in Arroios, Lisbon, it was created by a group of people who occupied an old abandoned kindergarten and turned it into a support center to help people in need, including the homeless. On one of these days in June, at 5:30 am, about a dozen armed private henchmen forcibly entered and tried, without eviction orders, timely notification or any legal documents required to carry out an eviction; evict the people who were there. The center's own volunteers called the police to protect them from something that was happening outside the law. Later, there was a disproportionate intervention by the intervention police that, aggressively and inhumanly, dragged the dozens of activists that peacefully demonstrated in front of the building.

This situation was particularly shocking due to its size, given the number of people affected, the support of the population and the means used, in this case, a private security company.

However, these situations are much more common than we might think, but they generally do not have the apparatus of this case, nor the recourse to private security companies, being most often carried out by the landlords themselves, although there is a law from the beginning 2019, which prohibits landlord harassment of tenants.

Now, regardless of the reasons that may even be justified, such as the lack of payment of rents, or in situations similar to the Seara case, of occupations without title, there is a rule that in any case must be respected: Art. 1 of the Portuguese Civil Procedure Code, the prohibition of self-defense.

In this regard, the associations hope that the competent authorities will proceed with the due investigation of the company's activities.

But these illegal evictions carried out without recourse to the courts happen with some frequency, especially in cases where there is no written lease, making the landlords covered by this illegality feel the right to proceed with the evictions themselves, or because they do not want to go to court because they are aware that they should have reduced the contract in writing and declare the income received to the tax authority.

Tenants themselves sometimes perceive that because they do not have a written contract, they have no rights of defense or protection and do not react to these abuses by asking the authorities for assistance.



Now, if it is certain that the law requires that the lease be written down and provides that if it does not exist, the tenant can only claim the existence of a lease with proof of 6 months of rent payment, this does not confer the landlord the right to carry out an eviction, whether by intimidation, lock change or any other method, without recourse to judicial proceedings.

Even if the lease is void because it has not been written down, the landlord must also resort to legal proceedings in order to recover your property. In addition, in some association's opinion, the landlord who invokes the absence of a written contract to evict the tenant acts with a manifest abuse of rights, considering that the lack of reduction of the written contract is most often his responsibility.

In any case, even with a legal basis for the non-payment of rents by the tenant or the nullity of the lease, in order to recover your property, the landlord must go to court.

The action of a landlord, who tries on his own initiative to carry out an eviction, may, depending on the circumstances of the specific case, constitute the practice of a crime of violation of domicile or wanton privacy, provided for in article 190 of the Penal Code and in some cases may also incur in the practice of the crimes of threat and coercion provided for in the Arts. 153 and 154 of the Portuguese Penal Code.

In any case, with or without a written contract, even on grounds, it is not lawful for the landlord to evict someone without recourse to the courts and tenants who are faced with these practices should ask the authorities for help, as they may be victims of a crime.

It was announced at the end of May, that the Government will create an emergency resettlement plan for people living in precarious and overcrowded housing in the Lisbon Metropolitan Area.

The government has guaranteed that it will develop an emergency resettlement plan to allow the separation of people who are infected from those who are not, as they did for some nursing homes, the head of government told reporters at the end of the meeting. 29th of May of the Council of Ministers, in Lisbon, which approved measures for the third phase of unlocking down in the scope of the COVID-19 pandemic. Without giving too many details about how this plan will be developed, António Costa stressed that it will not be applied based on the location of the dwelling but taking into account "the conditions of habitability". The Prime Minister also said that we should not place this problem in this or that neighbourhood, in this or that municipality, in this or that area, because that is not the nature of the problem. Nature is well identified: Living conditions where many people share the same residence, that is, where there is overcrowding. In this regard, António Costa gave as an example the neighbourhood of Jamaica, in the municipality of Seixal, south of Lisbon, an informal neighbourhood where it is known, by the

health authorities, that the problem has nothing to do with the habitability conditions specific to that neighbourhood, but as overcrowding of dwellings that reach critical levels.

At this level, another widely talked about the case was that of Roma communities. In this pandemic period, several temporary and exceptional measures, positive but insufficient, have been taken with regard to protecting the right to housing of immigrants and refugees, victims of domestic violence, homelessness or other risk groups. However, Roma communities have long been ostracized and segregated socially and territorially. Statistically, at least a third of Roma families residing in Portugal live in a “non-classic” dwelling, that is, a canvas tent, a wooden, brick and / or zinc tent or a motorhome. It is not a small group. Therefore, it is estimated that more than 3,000 Roma families live in tents, sheds or mobile housing. Knowing that the best way to prevent COVID-19 is to keep some distance and wash your hands, often with soap and water or an alcohol-based solution, one wonders: How will people do this when don't you have access to running water? How to face the virus without piped water, electricity, basic sanitation, garbage collection? This is a huge challenge in combating the spread of the coronavirus. From the north to the south of the country, news of how poverty in the Roma communities is getting worse, now that the fairs are not set up and the markets are not opening. Some specific support in terms of hygiene, food and provisional camp are appearing in municipalities in the interior of the country, where these Roma communities are in greater numbers, but the right to housing remains unfulfilled.

Another case is that of Bairro da Torre, in Loures, a municipality north of Lisbon. In this district of the municipality of Loures, one lives without water and without light. Since a fire that occurred, about 35 inhabitants live in even more precarious conditions, but they do not want to leave their home, because they continue to dream of a new neighbourhood for everyone.

It is a hut, in one of the last huts neighbourhoods that exist outside Lisbon. It's half a dozen meters, without windows, where daylight also only causes shadows. There is no electricity. There is no water. It has a mattress to sleep on. Maria has clothes on offer and a cell phone, which she uses to see the food she is preparing with the light that the screen emits. Besides, the phone is practically always off to save battery, since, at home, you have nowhere to charge it.

Maria worked until recently as a gardener at Hospital de Santa Maria, in Lisbon. Now she is unemployed. The conditions in which she lives are the same as 22 years ago when she moved to the Torre neighbourhood. At the front door, there is a garbage dump. Rotten mattresses, torn clothes, food scraps and two dogs with protruding skeletons, looking for the next meal.

This illegally occupied place land since the 1970s with 200 to 250 people. Gypsies and blacks are divided into two neighbourhoods within the neighbourhood. The light was cut in October and in December the city council of Loures installed two power generators to illuminate the neighbourhood. However, two months later, the residents asked the council to remove these generators, because they were unable to help pay for diesel costs. "We are unable to pay 5 € a day to have light. It is a lot to supply a generator", says Flávia Carvalho, who lived in one of the houses that the fire burned. The City Council of Loures has already offered houses to these people, but they do not want to abandon their right to stay in that place.

However, in June 2017, a draft resolution was approved by all parties in Parliament that recommended the Government to adopt measures that would guarantee "the provision of the public electricity service to the inhabitants of precarious neighbourhoods and housing units". But in the Torre neighbourhood, most houses remain dark. Whoever lives there has no income to pay an electricity bill. The little money they earn is essentially used to pay for transportation and to buy food - a daily task since residents do not have refrigerators to store food.

The authorities have other ideas. The mayor of Loures, Bernardino Soares, says he understands "the spirit of unity and the identity of the community", but he has "neither in the short nor in the medium term to keep them all together". "Perpetuating this case is not a solution. It is a shame for the country that this neighbourhood exists", he says.

Bernardino Soares guarantees that the municipality is doing everything to accommodate the residents of the Torre neighbourhood. The technicians of the council in collaboration with the Institute of Housing and Urban Rehabilitation are preparing a list of available fractions in their assets for immediate relocation. Next week it is planned to deliver four houses on the South Bank.

Also, the Ministry of the Environment, in a clarification sent to the newsrooms on July 24, 2019, was still available to "grant additional support, if necessary, to families affected by the fire through the Gateway of Entry - Program to Support the Urgent Accommodation" and implement a global housing solution for Bairro da Torre, via the 1st Right - Housing Access Support Program. But these families are unlikely to have the means to apply for these rental programs.

The city council says it has no means of solving this human scourge alone. Last year, the council rehoused 23 families, but there is no way to respond to all situations. To put an end to this dramatic situation", it needs help from the central administration, which incidentally owns the land, says the president.

## COVID-19 Initiatives

By Helena Roseta – Former MP (Portuguese Parliament) & Human Rights Activist

### Exceptional legal measures on the wake of the pandemic regarding Housing & Access to Essential Goods/Services

#### Prohibition on Evictions – LAW 1-A/2020 - Consolidated version

A special framework for the protection of home tenants as well as commercial ones were created under LAW 1-A/2020 on the 19th of March. This law was later amended by the following Laws:

- Law 4-A/2020 dated 06th of April
- Law 4-B/2020 dated 06th of April
- Law 14/2020 dated 09th of May
- Law 16/2020 dated 29th of May

With the last amendment introduced by Law 16/2020 29th of April, Law 1-A/2020 was republished.

Relevant articles are:

Article 6<sup>o</sup>-A and Article 8<sup>o</sup>

**Duration:** This law will be enforceable until the **30th of September 2020**

#### Moratorium on Rents and Support from the IHRU (Institute for Housing and Urban Renovation) LAW-4C/2020

A moratorium on the payment on household/house rents and commercial ones was created by Law 4-C/2020 dated 06th of April. To be eligible for support one must show that a decrease in the household or sales income took place. This Law was administratively regulated by Portaria 91/2020 dated 14th of April.

Later this law was amended by Law 17/2020 dated 29th May, which extended the enforceable period of its application only to commercial leases that were compulsory closed or had to reduce their activity due to the pandemic.

**Duration** – This law will be enforceable until the **30th of June 2020** for households and until the **30th of September 2020** for commercial spaces with some restrictions.

Support from IHRU can assume the form of a loan without any interest rate given either to Tenants or Landlords which can make proof of a decrease in income.

The PEES (Plan for Social and Economic Stability) which was a decision of the Joint Ministers Meeting (Resolution 41/2020 dated 06th of June establishes the extension of this type of support until the 30th of September 2020 as well as the possibility of conversion of said loans into non-refundable grants up to the limit of 1.5 Million Euros of the Total 4.0 Million of the programme. According to the media, a total of 1800 persons (mainly tenants) applied for loans under the said instrument.

### **Moratorium on Payment of Mortgages to Banks – Decree-Law 10-J/2020 dated 27th of March**

The moratorium created by the Decree-Law 10-J/2020 includes the postponement of payments until the 30th of September on mortgages for housing acquisition.

This Decree-Law was later amended by Law 8/2020 which imposes on banks the duty to inform all their customers.

According to news circulated on the national Press, about 260.000 families had requested the postponement of payment of their home mortgages.

**Duration:** This moratorium will be enforceable until the 30th of September 2020. However, the PEES (Plan for Social and Economic Stability) includes the possibility of an extension of all moratorium until the 31st of March 2021.

### **Protection of Access to All Essential Services - Law 7/2020 dated 10th of April**

This law prescribes in article 4<sup>o</sup> protection in access and prohibits the suspension of the following essential services/facilities:

- a. Water Supply Services
- b. Electricity Supply Services
- c. Natural Gas Supply Services
- d. Communication Services

This protection has restrictions in its application. The consumers must be able to prove a loss of income to benefit of said protection in access and prohibition of suspension.

This Law was changed by Law 18/2020 dated 29th of May which extended the period of enforceability until the 30th of September 2020.

**Duration:** Until 30th of September 2020

Besides this law, one must mention several other measures concerning the local governance of the municipalities in order to make them more agile and to allow for an increase in their limits of debt whenever that new debt is for housing.

### **Supplementary Budget and PEES**

The new supplementary budget proposal (Law 33/XIV) for the year 2020 incorporates an additional reinforcement of 55 Million Euros for the IHRU budget. According to PEES, 7 Million of the previous 55 Million Euros would be committed to renovating IHRU houses and the remaining 48 Million Euros would be for investing in recovering abandoned public buildings and reconvertng them to affordable housing.

There is also a 4.5 Million Euros to support the reconversion of Short Term Rentals (Airbnbs) into affordable housing as per municipalities initiative and 7.5 Million Euros to create a Fund for Urgent Accommodation and Housing First between the Ministry of Infrastructures and Housing and the Ministry of Employment and Social Security.

To recall:

- The State Budget for 2020 incorporated initially a budgeted figure for IHRU of 184 Million Euros, of which 150 Million Euros is the net amount available for use. With the pandemic event and with the Supplementary budget, the IHRU budget amount has increased 55 Million Euros and is now 205 Million Euros.

- Besides IHRU budget, we also have to consider the amounts provided by the Ministry of Finances set out for housing on other programmes without IHRU intervention and distributed as follows:

i) subsidies payments - 20 Million Euros, "Porta 65 Jovem" programme

ii) and interest rate compensation for the Banks - 29 Million Euros